

JPRS 74484

30 October 1979

West Europe Report

No. 1493



FOREIGN BROADCAST INFORMATION SERVICE

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REPORT DOCUMENTATION PAGE	1. REPORT NO. JPRS 74484	2.	3. Recipient's Accession No.
4. Title and Subtitle WEST EUROPE REPORT, No. 1493			5. Report Date 30 October 1979
7. Author(s)			6. Performing Organization Rept. No.
8. Performing Organization Name and Address Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201			10. Project/Task/Work Unit No.
			11. Contract(C) or Grant(G) No. (C) (G)
12. Sponsoring Organization Name and Address As above			13. Type of Report & Period Covered
			14.
15. Supplementary Notes			
16. Abstract (Limit: 200 words) This serial report contains political/economic information on West European energy, finance and trade policy matters as well as developments and trends in the doctrine, programs and problems of the major communist parties, including their relations with communist parties outside the West European area. The report also contains information on Theater Nuclear Forces and elections to the European Parliament.			
17. Document Analysis a. Descriptors			
Political Science	<input checked="" type="checkbox"/> International Affairs	<input type="checkbox"/> Iceland	
Sociology	<input checked="" type="checkbox"/> Austria	<input checked="" type="checkbox"/> Italy	
Propaganda	<input type="checkbox"/> Belgium	<input type="checkbox"/> Luxembourg	
Economics	<input type="checkbox"/> Canada	<input type="checkbox"/> Netherlands	
Energy	<input checked="" type="checkbox"/> Cyprus	<input type="checkbox"/> Norway	
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Theater Nuclear Forces	<input checked="" type="checkbox"/> Finland	<input checked="" type="checkbox"/> Switzerland	
	<input checked="" type="checkbox"/> France	<input checked="" type="checkbox"/> Turkey	
	<input checked="" type="checkbox"/> Greece	<input type="checkbox"/> United Kingdom	
b. Identifiers/Open-Ended Terms			
c. COSATI Field/Group 5C, 5D, 10			
18. Availability Statement Unlimited Availability Sold by NTIS Springfield, Virginia 22161		19. Security Class (This Report) UNCLASSIFIED	21. No. of Pages 124
		20. Security Class (This Page) UNCLASSIFIED	22. Price

30 October 1979

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VIEWS ON INDEPENDENT NUCLEAR FORCE, AMERICAN UMBRELLA

Paris LE FIGARO MAGAZINE in French 15 Sep 79 pp 20-21

[Article by Jean d'Ormesson: "Balance and Imbalance. From American Good Will to Soviet Good Will"]

[Text] Today more than yesterday, there is no more serious problem than that of war or peace between nations, and especially between the superpowers who possess decisive means of extermination. For nearly 35 years, the world has experienced localized wars in Korea, Algeria, the Middle East, Vietnam, and here and there throughout Africa and Asia. But any future general war is likely to be apocalyptically cataclysmic, and precisely because of this monstrous aspect, such a war seems to have been outlawed by history. The atomic nightmare could be said to contain its own antidote in that the deterrent capability ensures maintenance of what is generally called the balance of terror. A twofold idea had gained wide acceptance, namely that war, always atrocious, had become suicidal and, now at last, impossible.

These past few months, however, people seem to have been seized, once again, with a vague feeling of anxiety. They do not believe in war, or do not want to believe in it. Yet they are already talking about it. Various science fiction books describe possible scenarios for war. The hideous specter of nuclear extermination is still only a game, a working hypothesis, or a nightmare that is dismissed. Nevertheless, the idea of a conflict that would no longer be local has reappeared among the fears in our mass consciousness.

Since the end of World War II, successive scares have occurred in Berlin, Korea, Cuba, and obviously in connection with Israel. Today, the break between China and Russia, Tito's succession in Yugoslavia, and Cuba's continuing initiatives, all constitute a certain number of question marks. These friction points as well as others in Angola, Yemen, Ethiopia, and Afghanistan, take on their full significance and acuteness against a background which a good number of Westerners seem to have circumspectly chosen to overlook but which can no longer possibly be ignored. I refer to Russia's tremendous military power and the increasing imbalance between Soviet and American armed forces, at least where conventional forces are concerned.

From the moment of Hitler's downfall, a ravaged and disunited Europe realized it did not have the capability by itself alone of resisting Soviet power embodied at that time by Stalin. Despite communist opposition and some Gaullist reservations, NATO—from which France withdrew with De Gaulle—and the Atlantic Alliance—to which France has continued to belong—demonstrated quite clearly that Europe's security depended on American good will. After all, France had twice called upon American help in time of war. And twice that American aid had been both belated and substantial. The second time, it was decisive. It was altogether natural that in the division of the world into two blocs after World War II, France and Europe looked to the United States. At the time of the 1962 Cuban missile crisis, General De Gaulle, who had broken with NATO, did not hesitate to stress Franco-American solidarity. There was no lack of discussions about the necessity or value of the American umbrella. But what was most frequently questioned was not the possible powerlessness of the United States but rather its excessive power. The major criticism leveled at the United States by a significant segment of public opinion was that it wanted to act as the "world's policeman," to use a term repeated ad infinitum. The walls of all the streets in Europe re-echoed the refrain: "U.S. Go Home."

It definitely appears that the Americans have now gone home. And nobody is very happy about this, except, I imagine, the communists, but I am not sure. It would actually seem that nations, like individuals, often find it hard to know what they really want. The fact is that Europeans appear to have suddenly discovered that the Soviet military machine is the most powerful in the history of the world, and that it is very difficult to find something to counterbalance it.

Russia is militarily powerful in at least three respects. First, in its mass of conventional forces and weapons: compared with an America that is having difficulty recovering from the Vietnam War and where conscription is still largely rejected, the USSR represents an unrivaled force. Second, in nuclear weapons: the absolute American superiority of 30 years ago has steadily declined to such a point that the equality of the nuclear strike forces is now an ideal that many people are beginning to doubt. Lastly, in the most important and decisive area of what formerly was called the war of nerves, which is nothing other than moral and psychological readiness: with a weak president, with a vacillating policy, and with all the disadvantages associated with a highly developed democratic way of life—presidential elections every 4 years, transparent public life, secret services that are suspected and sometimes dismantled, immediate well-being taking precedence over long-range plans, etc.—the United States is in a position of obvious inferiority to a Russia that has sacrificed everything for its military buildup to which it allocates a considerable share of its national income.

It is evident that the potential resources of the United States are and remain incomparable. In a long war, the fantastic American industrial machine would start functioning at full capacity and that war would most likely end, like the others, in a U.S. victory. But will modern wars last long? The USSR is prepared for war at any moment, whereas America is not.

Viewed from Europe, the effect of this imbalance is quite simple, and it is in striking contrast to the situation 30 years ago: Europe's security that but lately depended on American good will is beginning to depend more and more exclusively on Soviet good will. Not so long ago, we used to wonder about the expediency of the American umbrella. Today, we can only hope that no Soviet whirlwinds will suddenly descend upon us.

Events, such as Kissinger's recent statement warning Europeans against excessive confidence in American military aid in case of necessity, underscore, almost dramatically, the gravity of the situation. If France had not armed itself with a nuclear strike force it would have much less influence in the world than it has today. And the misgivings we might harbor would be even sharper than they are. In this respect, history seems to have endorsed General De Gaulle and his constant desire to keep France and Europe independent of America. But under these new circumstances, the increasingly pressing question is whether France is strong enough not to be associated closely with either the United States or other European countries. An affirmative reply to this question appears to be excluded. The position taken by a Gaullist like Alexandre Sanguinetti is especially noteworthy: precisely because Kissinger has resoundingly declared De Gaulle had been right in upholding France's need to provide for its own defense independently of the United States, there is a binding obligation to establish a more tightly solidary European defense.

Such wishes are naturally easier to express than to realize the USSR is already amply strong enough to make the whole of its weight felt against any European impulses. Furthermore, nuclear rearmament of the Federal Republic of Germany would no doubt run foul of as much opposition in the FRG as in other countries. Europe cannot ensure its own defense unless it is united and gives itself the means required for this task. But we cannot close our eyes to the fact that these means and this unity will take a great deal of time. During those very years which China needs to be able to resist Russia effectively, Europe will strive--with difficulty--to avoid that well-known Finlandization, the first effects of which are now being felt. Such, therefore, are part of the reasons the next 4 or 5 years will be so trying, and perhaps so dangerous.

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CSO: 3100

ITALIAN, FRENCH FOREIGN MINISTERS' TALKS ON EC TOPICS

Rome IL POPOLO in Italian 12 Oct 79 p 8 LD

[Unattributed report: "Italy and France Agreed on Europe's Future"]

[Text] Rome--The coming 6 months of Italian EEC chairmanship and East-West relations were the central topics of the meeting between Italian and French foreign ministers Malfatti and Francois-Poncet which took place at Lusignan Petit in Southwest France. This was one of the customary bilateral exchanges of viewpoints envisaged in EC practice, without any protocol or agenda. The two ministers discussed "all the problems deriving from both countries' membership of the same Mediterranean area," as they later told journalists. There was also an exchange of ideas on the issue of the balance of military forces in the European theater. On the new American missiles which NATO is about to adopt and Brezhnev's proposals connected with this modernization, Malfatti and Francois-Poncet in fact announced that they discussed both EC economic and social problems and world political problems.

However, as was to be expected, special attention was devoted to EC topics: 1--Its extension. In this connection, both ministers ruled out any joint "alignement" between Italy and France, whose agricultures could be damaged to some extent by the imminent EC membership of countries with a high agricultural potential, such as Greece, Spain and Portugal. They did admit, however, that Italy and France are studying initiatives to insure that the new partners' membership will not necessarily imply jeopardization of Italian and French interests; 2--French imports of Italian wine (the French producers' complaints, Francois-Poncet said, must be set within a more general context); French farmers have no cause for complaint because France seems to be economically favored on the whole (French agricultural exports totalled 1.3 trillion lire); 3--the coming 6 months of Italian EEC chairmanship (the post of chairman falls to each of the member countries in turn)--a topic which characterized the entire conversation. Italy, Malfatti, reported, intends to impart the utmost dynamism to its term of chairmanship and will also take this opportunity to repropose to its partners a reexamination of the overall shortcomings in EC policy, especially with regard to the budget and agricultural policy. Italy is already polemical on this point (which will certainly be discussed at the European council's Dublin meeting in late November). Indeed, the Brussels Commission, to which Italy sent a dossier of complaints concerning the EC budget last month, is challenging Italy's objections with facts and comparisons and maintains that it has no cause for complaint.

ENERGY CONSUMPTION IN EC COUNTRIES INCREASING

Duesseldorf BRENNSTOFF-WÄRME-KRAFT in German Aug 79 p 311

[Text] The records for 1978 show a substantial increase in overall energy consumption in the EC countries. For the first time energy consumption exceeded the $933 \cdot 10^6$ tons/ROeE [crude oil units] of 1973. This 2.9 percent increase is especially significant when compared with the rate of growth in the gross domestic product (BIP) and industrial production amounting to 2.9 and 2.2 percent, respectively.

On the basis of data available to date, the EC Office of Statistics provides the following overview: Hard coal consumption went up by about 2 percent in 1978 in contrast to the downward trend in previous years, so that the overall percentage remained practically unchanged. The increased demand can be attributed to greater use of hard coal in power plants and was met primarily through substantial utilization of waste heaps and by imports from Third Countries. Crude oil and natural gas likewise recorded substantial rates of growth, but without reaching the usual level in the seventies. The proportion of electricity production with hydraulic power declined markedly because of water conditions, which were worse in contrast to 1977. In spite of an 8 percent increase, the share of nuclear energy still did not account for more than 3 percent of total consumption and thus is barely ahead of brown coal, but still far behind petroleum (54 percent), hard coal (19 percent) and natural gas (17 percent), Table 1.

With net imports that remained more or less constant vis-a-vis 1977, the greater demand for energy in 1978 was met by a relatively modest increase in the production of primary energy sources (+1 percent) and in particular by reducing inventories; this affected all energy sources except natural gas which recorded an increased inventory of about $2 \cdot 10^6$ ROeE. Table 2 shows the percentage import dependency on various levels: total import dependency excluding and including nuclear fuel imports and import dependency in the case of the individual primary energy sources.

In the individual member countries development of energy consumption took rather different courses. In the FRG, France, Belgium, Denmark and Ireland the growth rate was clearly above the EC average and above the increase

in the respective BIP and industrial production. A modest increase could be observed in Italy and the Netherlands. In the United Kingdom there was a slight decrease, which in view of a 3 percent growth in the BIP and industrial production, could point to a checking of energy consumption, Table 3.

Table 1. Gross domestic consumption of primary energy sources and equivalents by EC countries in 10^6 ROeE

EUR-9	1978		1977		1978/77
(1) Steinkohle und Äquivalente	176.3	18.7%	172.7	18.8%	+ 2.1%
(2) Braunkohle und Äquivalente	26.9	2.9%	26.8	2.9%	+ 0.4%
(3) Rohöl und Äquivalente	512.0	54.3%	493.9	53.9%	+ 3.7%
(4) Naturgas	163.4	17.3%	157.2	17.2%	+ 3.9%
(5) Elektrizität	33.6	3.6%	37.5	4.1%	-10.4%
(6) Kernwärme	28.3	3.0%	26.2	2.9%	+ 8.0%
(7) Insgesamt*)	942.3	100%	916.0	100%	+ 2.9%

(8) *) einschließlich sonstiger Brennstoffe

Key:

1. Hard coal and equivalents
2. Brown coal and equivalents
3. Crude oil and equivalents
4. Natural gas
5. Electricity
6. Nuclear heat
7. Total
8. Including other fuels

Table 2. Energy import dependency of EC countries in percent

1978	(10) Insgesamt ¹⁾	(11) Insgesamt ²⁾	(12) Kohle	davon (13) Erdol (14)	(15) Naturgas
EUR-9	54.4	57.0	2.6	48.4	3.2
(1) Bundesrepublik Deutschland	55.9	58.9	-4.5	50.5	9.7
(2) Frankreich	74.6	76.4	8.3	58.4	7.4
(3) Italien	81.7	82.4	5.7	67.3	8.4
(4) Niederlande	8.6	4.8	4.1	47.1	-46.6
(5) Belgien	81.6	87.3	10.2	54.7	17.8
(6) Luxemburg	99.2	99.2	40.0	31.1	1.1
(7) Vereinigtes Konigreich	21.4	25.7	-0.2	19.5	2.1
(8) Irland	82.6	83.6	7.6	75.9	--
(9) Danemark	98.9	98.9	18.1	77.6	--

(16) ¹⁾ ohne Kernbrennstoff

(17) ²⁾ einschließlich Kernbrennstoff

(18) Einfuhrabhängigkeit = $\frac{\text{Nettoeinfuhr}}{\text{Brutto-Inlandsverbr+Bunker}}$

Key:

- 1. FRG
- 2. France
- 3. Italy
- 4. Netherlands
- 5. Belgium
- 6. Luxemburg
- 7. United Kingdom
- 8. Ireland
- 9. Denmark
- 10. Total
- 11. Total
- 12. Coal
- 13. in these amounts of
- 14. Petroleum
- 15. Natural gas
- 16. Without nuclear fuel
- 17. Including nuclear fuel
- 18. Import dependency =

$\frac{\text{net income}}{\text{gross domestic consumption + bunkers}}$

Table 3. Gross domestic consumption of primary energy sources and equivalents by EC countries and 10⁶ ROeE

	1978		1977		1978/77
EUR-9	942.3	100%	916.0	100%	+2.9%
(1) Bundesrepublik Deutschland	271.0	28.8%	258.0	28.5%	+5.0%
(2) Frankreich	183.6	19.5%	175.4	19.1%	+4.7%
(3) Italien	135.5	14.4%	134.4	14.7%	+0.8%
(4) Niederlande	64.8	6.9%	63.8	7.0%	+1.6%
(5) Belgien	46.0	4.9%	43.9	4.8%	+4.8%
(6) Luxemburg	4.5	0.5%	4.6	0.5%	-2.2%
(7) Vereinigtes Konigreich	208.8	22.2%	209.2	22.8%	-.02%
(8) Irland	7.8	0.8%	7.1	0.8%	+9.8%
(9) Danemark	20.5	2.2%	19.7	2.1%	+4.1%

Key:

1. FRG
2. France
3. Italy
4. Netherlands
5. Belgium
6. Luxemburg
7. United Kingdom
8. Ireland
9. Denmark

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CSO: 3103

ENERGY CRISIS, POSSIBLE UNEMPLOYMENT CAUSE NO PANIC

Vienna DIE PRESSE in German 30 Aug 79 p 7

[Text] Austrians have probably overcome their fear of inflation in spite of this year's OPEC price increases. After the price shock of June reactions were nearly calm, almost indifferent, compared with the panicky fear of inflation in November 1973, when oil prices rose very quickly. Only the consumer mood worsened slightly in the last few months. These reactions are indicated by the consumer studies that have been regularly undertaken nine times yearly since 1972, commissioned by the Austrian National bank. The estimation of the general labor market development, as the study also shows, depends greatly on the influence of mass media. The majority of those interviewed regard their own jobs as relatively secure.

There is hardly any fear of unemployment in Austria, at least the percentage of those interviewed who are actually threatened with unemployment is very small. Austrians do not make a connection between the general labor market development and their own job security. While 88 percent of those interviewed in May 1979 considered their own job or that of a working family member "more or less secure," only 49 percent thought that the general labor market development was "steady."

Expectations for a general labor market development are probably influenced above all by the mass media. The layoff at Neumig in November 1978, for example, caused a sudden rise in negative evaluations of the Austrian labor market for the coming year. From October to November the proportion of pessimists rose from 43 to 67 percent; but after a decrease of the stronger media reporting in May 1979 the number of negative evaluations sank in a very short time to 34 percent.

Austrians, states the consumer study report, equate high unemployment with poor economic development. Fear about one's job was correspondingly great in the recession year of 1975: Nearly one-third of those interviewed thought jobs were "not so secure"; only 7 percent were convinced that

their jobs were secure. The results of the preceding year 1974 were almost a mirror image. While one-third counted on secure jobs, 8 percent were pessimistic at that time.

Expectations concerning one's own personal economic area, financial position, saving, and spending are closely tied, as the National Bank study shows, to expectations for the general development of the economic situation and unemployment. At the beginning of 1973, the consumer mood had reached a climax that suddenly turned pessimistic with the energy crisis. The consumer hardly influenced the recession of 1975. Large income increases and wage settlements of up to 15 percent are seen as the reasons for this behavior. Consumer mood was a stabilizing influence this year on economic activity.

Since 1977 the consumer mood has been constantly improving until the beginning of this year. Only in the last months, especially due to the last OPEC price increase, a slightly worse development has become noticeable.

Nevertheless, the last oil price increase caused only a slight majority of pessimistic answers this year to the inflation development for next year. There was no shock this year like the one following the energy price increase in 1973 that caused a sudden rise in negative answers. While the percentage of pessimists rose from 67 in October to 86 in November/December of the same year in a panicky fashion and only 1 percent believed in small price increases, the reactions in June of this year were definitely calmer: In May 1979, 48 percent expected a strong or very strong inflation development; after the OPEC price increase in June there was only a small majority (56 percent) of pessimistic answers.

In total, as the studies show, Austrians estimated the actual inflation development rather well. With the beginning of 1978 there was for the first time since 1972 a majority of optimistic answers concerning future price increases. This points to an overcoming of the inflation mentality of the last years, states the consumer study report.

9232
CSO: 3103

BRIEFS

COMPENSATION TO FOREIGNERS--Some 300,000 Cyprus pounds are to be paid to 150 foreign applicants as compensation for their real property which was damaged during the Turkish peace operation in Northern Cyprus. This was reported in a press statement released by the prime minister's office which said that priority will be given to elderly and widowed people. [Clandestine Bayrak Radio in English to Cyprus 1215 GMT 12 Oct 79 TA]

CSO: 4920

PAPER REPORTS BONN'S REACTION TO ALBRECHT, BRZEZINSKI MEETING

Munich SUEDEDEUTSCHE ZEITUNG in German 13/14 Oct 79 pp 1, 2 DW

[Article signed MES.: "Bonn Irritated at Pressure by the United States"]

[Text] The Federal Government on Friday protested against the United States publicly exerting pressure on it to cause the FRG to raise its defense budget. At the same time Federal Chancellor Helmut Schmidt sharply criticized the conduct of Lower Saxony's Minister President Ernst Albrecht in Washington, reproaching him with "insufficient knowledge of details" and a "lacking perspective of foreign policy affairs."

In the discussion on defense efforts and arms control the impression meanwhile has gained ground in Bonn that different views exist in the government coalition on the prospects of success of negotiations with the Soviet Union. Government spokesman Klaus Boelling in no uncertain terms reacted to news agency reports on a meeting Albrecht had in the American capital with Security Advisor Zbigniew Brzezinski. Following the talk Albrecht had said that Brzezinski on the occasion had reminded the Federal Government once again of the necessity of increasing its defense spending by three percent. President Carter's security advisor had told him, Albrecht, that Bonn must not play a separate role [ausbrechen] in this issue.

According to a DPA report Brzezinski again pointed to apprehensions of the United States that because of domestic problems of some European countries the stationing of medium-range nuclear missiles could not be implemented. Albrecht had said that he had given him to understand that it was primarily up to the United States to persuade these countries.

Commenting on this, Boelling said that the Federal Government in this respect was in close contact with the American Government and other allied governments. Strictly speaking, it was unusual that problems of this type were brought home to the Federal Government by the American side through German opposition politicians.

In addition, Federal Chancellor Schmidt reportedly has stressed internally that Albrecht was neither foreign minister nor defense minister. The minister president of Lower Saxony was "not to interfere in our foreign

policy, because in this field he lacks the necessary knowledge of details and the indispensable perspective." Besides it was stated that the Federal Government did not have to be ashamed vis-a-vis its allies because of its defense expenditures next year. As for the necessary procurements for enhancing the fighting strength of the Bundeswehr, the Federal Republic even went beyond what had been agreed with its NATO allies.

The Federal Cabinet this week discussed in detail the problem of the decisions to be taken by NATO on the production of modernized medium-range missiles and on an arms control negotiation offer to the Soviet Union. Boelling said in this context that the federal chancellor at this point even sent most of the officials out of the Cabinet hall, so that the ministers largely were among themselves. He was therefore unable to elaborate on details of these talks. What was certain, however, was that the decision to be taken by NATO in December would be a "combined decision," in other words, that it would contain both a decision on the production and subsequent stationing of the new weapons and an offer on arms control negotiations.

The government spokesman in this respect cited the federal chancellor as having said that the necessity for NATO of closing the arms gap in the continental-strategic field (the medium-range missile Pershing II, for instance) was the smaller the more successful the East-West negotiations would be. This position is identical with the statement made by the federal chancellor in the Bundestag on 4 July after his return from Moscow and Tokyo.

On the other hand, what does not seem to be quite clear is the question of whether and how clearly NATO, apart from making arms decisions, will state that the objective of the negotiations will have to be an agreement which will ultimately make it unnecessary for NATO to station medium-range weapons [weitreichende mittelstreckenwaffen]. SPD Federal Manager Egon Bahr recently said clearly that without such condition "there can be no German consent to a NATO decision." True, Boelling repudiated reports on differences of opinion between Bahr and the Cabinet, but the deliberations of the government apparently have not yet ended. The government spokesman said that the Cabinet would deal with the issue once again as soon as the final reports of the NATO bodies preparing the December meeting of the alliance were available.

CSO: 3103

LOWER SAXONY'S ALBRECHT ON SCHMIDT CRITICISM, ARMS DEBATE

Frankfurt FRANKFURTER ALLGEMEINE in German 16 Oct 79 p 3 DW

[Article signed TGN.: "Poorly Informed and Ill Advised"]

[Excerpt] Lower Saxony's minister president and CDU Deputy Chairman Albrecht in Hannover Monday reproached Federal Chancellor Schmidt with having a poor foreign policy style. Upon his return from a visit to the United States Albrecht repudiated Schmidt's criticism of President Carter's security advisor Brzezinski. In a talk with Albrecht on security affairs Brzezinski had told his visitor to remind the Federal Government of the necessity of a higher defense contribution by the Federal Republic. Schmidt had reacted with annoyance to reports from Washington, a fact which also was mirrored in U.S. newspaper articles.

The federal chancellor, Albrecht said, was "poorly informed and ill advised" in this matter. Brzezinski had only expressed views to him, Albrecht, which were already known to the Federal Government. It was legitimate that U.S. Cabinet members explained the opinion of the United States on NATO problems to CDU and CSU politicians as well. It was "poor foreign policy style," however, for the federal chancellor to instruct his aides to criticize Brzezinski, one of President Carter's closest advisors, in the American press. The German-U.S. relationship, Albrecht said, should not be burdened by "the mood and touchiness of a federal chancellor."

Albrecht showed himself relieved at the fact that the United States meanwhile had "realized," as he said, how much the balance of military forces in the past decade had changed to the disadvantage of the West. The Americans had drawn conclusions from this realization; they were determined to restore this balance together with their NATO allies. No other state depended on it as much as the Federal Republic. "We should do everything not only in words but also in deeds to support the United States in their efforts," Albrecht said.

The chief of the Lower Saxony government said in this context that it was necessary to increase the defense budget of the Federal Republic "in the course of the years." Albrecht did not want to specify the period of time

in which the increase by a real three percent expected by Washington and pledged by Bonn will materialize. He only said the Federal Government saw "certain possibilities" for raising the defense budget. The restoration of the balance of military forces in Albrecht's words also requires an early decision on the stationing of medium-range missiles which are not yet covered by arms reduction moves; this was a task that all member states of the Western alliance would have to tackle.

He had no doubt, Albrecht said, that the CDU/CSU leadership shared the U.S. assessment of the security situation. According to this assessment there was a real reason for concern because of the changed balance of military forces, because the "basis of peace" was affected. Brzezinski had expressed this quite clearly to him. Albrecht said that he would brief the CDU presidium shortly. He also came out for a more intense discussion of security affairs in the German public than had been the case thus far.

CSO: 3103

PLANS FOR CAPITAL FORMATION LAW WEIGHED BY COALITION

Hamburg DER SPIEGEL in German 17 Sep 79 p 34

[Excerpt] Helmut Schmidt is actually very anxious to offer citizens something more concerning capital formation by election day--not for its own sake, but for political reasons.

The redistribution of capital, which only relatively few are able to possess, was one of the great reform projects of the social-liberal alliance even in the last legislative period. Schmidt did not want simply to shelve the unsettled matter in 1974. In his statement of government policy, he again promised at that time that the little man would share in the capital of the upper classes.

But hardly had state secretaries in the respective ministries, at the chancellor's behest, started to work on the concept of a coalition in the early summer of 1979 when they ran up against the same problems which years before had proved to be the undoing of politicians and government officials--conflicting interests between Social and Free Democrats, and also disunity between Social Democrats and labor unions.

For the coalition talk on Thursday of this week, Finance Ministry secretary Boehme devised a formula which brought him only modest approval. In addition to higher wages, he would like for labor unions to also obtain participations in companies from employers in collective wage negotiations. These participations--shares, certificates or silent partnerships--would be entitled to tax benefits and would be pooled in funds jointly administered by the parties to the collective wage agreements.

The Free Democrats certainly have old fears about this plan. They are afraid that the labor unions want to have a say in determining company policy through the investment funds. Lambsdorff's condition: The employee is free to choose how he invests his share--whether in the pot of the parties to the collective agreement or in some other investment fund. "This is a fundamental issue for us," FDP expert Dieter Julius Cronenberg emphasized.

Rolf Boehme, who wants to implement an old directive of the 1973 SPD Congress in Hannover with his controversial plan, considers this to be just as fundamental: "The fund must be acceptable to the labor unions." But it can be so only if the labor unions can count on the employee shares obtained by them also remaining in the fund.

Boehme recognized long ago that the keenest opponents of his new plans for capital formation are not among the members of the coalition partner, but in his party's own ranks. From the beginning it has been fiercely debated in labor unions and among Social Democrats whether it is really such a worthwhile goal to acquire minimal shares of capital for employees.

Primarily ideological counterarguments have been presented for years, especially in the board meetings of the largest single labor union, IG Metall [Metalworkers Union]. According to these critics of the new capital concepts, the government would in this way help employers to weaken labor unions. The employee, then in the role of a small capitalist, would be convinced that he would also have to behave as an employer and abandon stalled wage demands if necessary. Thus more capital in the hands of employees could only result in effective wage policy and representation of interests no longer being possible--to the advantage of true capitalists.

Before Boehme prepared his concept, as a precaution he inquired among union members as to how they would react. In the first party meeting after the summer recess, he reported on the research findings to his parliamentary colleagues: In his talks with DGB officials and individual labor unions, he said that he had found "overwhelming approval."

As proof, the state secretary presented a letter from the textile and clothing trades union, which has always been in favor of this proposal and was again "pushing" for collective wage investment funds.

But the eager state secretary's enthusiasm was dampened by his own minister. Matthoefer, a former member of the Metalworkers Union, revealed what he really thinks by order of the federal chancellor: "A. This is all nonsense. B. But this is contained in the statement of government policy. C. Rolf Boehme is to implement the statement of government policy."

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CSO: 3103

POLICE TECHNOLOGY, AID TO OTHER COUNTRIES DISCUSSED

Hamburg DER SPIEGEL in German 24 Sep 79 pp 46-51

[Text] The Federal Criminal Police Bureau [BKA] receives an increasing number of visits by foreign investigators and politicians who want to learn something. Many of the guests come from countries that have little in common with a constitutional state.

J Yen-li, deputy head of the division for maintaining security in Peking, together with his seven male and female companions, listened to the explanations of the German hosts. That "the Soviets work only with 8 fingers," the "Germans, however, with 10," and that the Germans, as in other ways, are "thus far superior to the Russians" was confirmed by the party with assenting nods.

In the afternoon, long after most of the officials of the BKA had hastened away from the office, the slender criminal experts from China "very much wanted to stay a little bit longer." For knowledge of the fact that "the imprint of the small fingers is most productive in the search for traces" (according to a BKA reporter) and that even "the methods of Galton-Henry and the FBI" are "no match" for the computerized finger print system of the BKA--these were not the only things which impressed the expert guests during their 2-week-long studies on the Wiesbaden Geisberg.

"Often times we did not manage to get them out of the building until 10 o'clock," an exhausted aide groaned last week when he reported to office boss Horst Herold. The late sampling of hands in the special department was followed by one or another sampling of vintage wines in the nearby Rheingau; the result of the China weeks in the BKA, as it was mockingly said in the office, had a double meaning: "They came here to suck us dry."

Visits of this kind are becoming increasingly frequent in Wiesbaden. The BKA has become a pole of attraction for cops and secret agents from all over the world. And many a guest should be rather unwelcome to the Federal Bureau or its superior, the Bonn Ministry of the Interior.

A few weeks before the Chinese, the BKA hosted an Arab general for public security and his companions. Before that there were, in short succession Tunisians, Nationalist Chinese, and gentlemen from Lesotho, Turkey, Indonesia, and Australia who called on Herold--to say nothing of the regular visits of European neighboring colleagues. "All of them," the bureau chief says gleefully, "are trying to get something from us by haggling--we, of course, also learn from them."

The strongest magnet seems to be Herold himself, whose much-cited theories and research on cybernetic control circuits in the fight against crime have secured a scientific reputation for the bureau within a few years. With devotion the guests listen to the descriptions by the BKA chief of how, for example, he has approximately 2 million finger prints "put into formulas with gigantic manpower," viz. "with 450 man years, and every day "shoveled" into the computer by a host of typists.

The BKA people do not particularly like to talk about some of the visitors, the Chilean general, for example, who was sent on his way after 30 minutes. Or about Libya's chief of state Qadhafi, who wanted to hurry through the building without being recognized. Nor do the BKA men wish to comment on the Russian general, the Romanian lieutenant-colonel, and the secret service man from Yemen.

The fact that occasionally men turn up in the BKA who are close to the Palestinian terrorists, on the other hand, does suit the hosts. En passant, they believe, such visitors, among other things, come away with realistic impressions of the West German terrorist scene, and in the process a good deal of the revolutionary halo of the RAF (Red Army Fraction) is lost.

In the meantime the BKA has gone so international that at times personal official assistance is extended to foreign countries with whom friendly relations exist. When, for example, in 1976 the Icelandic Government was faced with a crisis after influential friends of the then minister of justice Olafur Johannesson were suspected as smugglers of booze and as the men behind the unsolved murder of the excavator Geirfinnur Einarsson, the island government was searching for an independent top detective.

Thanks to a hint from Wiesbaden, it found him in the person of Karl Schuetz, 64, the just retired department chairman of the Bonn protection group. A man of reputation: Because of his successes in investigating the murderers of soldiers in Lebach, the early Baader-Meinhof gang members, and the GDR agents Suetterlin and Guillaume, his colleagues have decorated him with the nickname "Commissar Kugelblitz (ball-lightning)."

In a 166-day on-the-spot investigation headed by Schuetz, the true smugglers were brought to justice; they had buried Einarsson's corpse in the "red hills," a wild lava landscape. Quite incidentally the German criminal expert-on-loan unmasked Iceland's TV announcer Asgeir Ingolfsson as the murderer of a cleaning woman.

"You have liberated the Icelandic people from a nightmare" Johannesson praised the retired Kugelblitz as he was leaving. And for the criminal-technical assistance of the BKA, Reykjavik decorated BKA chief Horst Herold with the Order of the Silver Crane.

However, it is above all, foreign crime technicians who carry the tidings of the German supersleuths into the world when they take notes in Wiesbaden and pack internal communications. Research programs which the BKA likes to present to its guests include the deciphering of disguised voices and handwriting, disguised faces, distorted speech.

BKA physicist Ernst Bunge in the department for crime technology, for example, no longer looks at beards, sideburns or glasses when handling photographs of wanted criminals, but measures the distance between their eyes. The data are stored in test series for the time being as well as the sound profiles of the recorded voices of various people: If different testing individuals repeat the test sentence "My name is Nemo," the computer recognizes the speaker--possibly bad times for blackmailers. These kinds of provisional results of BKA research and Herold's comprehensive electronic data processing concept are regarded so highly, among other things, because Interpol, the police center of 133 states in Saint-Cloud near Paris, long ago missed the opportunity to take advantage of technical progress. At any time, Herold likes to lecture in front of his colleagues, Wiesbaden would be in a position, for example, to build up a worldwide material investigation system for Saint-Cloud, which hardly commands any respect now, for example systematic search for false passports and stolen automobiles using telex and electronic data processing.

The thought that some of the visitors probably are not so much after stolen vehicles and that possibly German criminal experts provide development aid in the wrong places apparently does not weigh heavily on the BKA chief: "After all, we only pass on crime-technological knowhow, not investigation programs."

For many of Herold's colleagues, however, for example the Land police president in Baden-Wuerttemberg Alfred Stuemper, "a trace of uneasiness" remains because of this crime assistance for everybody.

8970
CSO: 3103

PRIMARY ENERGY USE FOR JAN-JUN 1979 GIVEN

Graefelfing ENERGIE in German Jul 79 p 264

[Text] The FRG's primary energy consumption rose by 6.9 percent (13.5 million tons SKE [hard coal units]) in the first half of 1979 in comparison to 1978. Whereas petroleum use increased by only 3 percent, a growth rate of 13 percent was recorded for hard coal and 10 percent for lignite. There was even an increase of 14.5 percent in the case of natural gas. This can be traced back to increased household demand for these ecologically beneficial sources of energy. Comparing consumption of primary energy sources with total use, it is noteworthy that petroleum's share, with 49.8 percent, has dropped below the 50-percent mark (51.7 percent last year).

Primary Energy Consumption of FRG in First Half of 1978/79

Energy Source	1st Half 1978		1st Half 1979*		Changes in 1st Half of 1979/78		Percentages in 1st Half of 1978		1979	
	Million		Million		Million		%		%	
	PJ	tons SKE	PJ	tons SKE	PJ	tons SKE	%	1978	1979	1979
Petroleum	2,942	100.4	3,033	103.5	+ 91	+ 3.1	+ 3.1	57.7	49.8	
Hard Coals	1,011	34.5	1,143	39.0	+132	+ 4.5	+13.1	17.8	18.8	
Natural Gas	909	31.0	1,041	35.5	+132	+ 4.5	+14.5	16.0	17.1	
Lignite	502	17.1	551	18.8	+ 49	+ 1.7	+ 9.8	8.8	9.0	
Nuclear Energy		6.3	205	7.0	+ 20	+ 0.7	+10.8	3.2	3.4	
Water Power, Foreign										
Trade Balance, Current	108	3.7	79	2.7	- 29	- 1.0	-26.9	1.9	1.3	
Other Sources (firewood, among others)	35	1.2	35	1.2	+ 0	+ 0.0	+ 0.0	0.6	0.6	
Total	5,692	194.2	6,087	207.7	+395	+13.5	+ 6.9	100.0	100.0	
*Current	1 PJ (Petajoule) = 10 ¹⁵ Joule									
	1 million tons SKE equal 29.3 PJ									
	Association for Energy Use and Supply, July 1979									

BRIEFS

NEW BUNDESRAT PRESIDENT--Bonn--Hamburg Mayor Hans-Ulrich Klose was elected as the new president of the Bundesrat (Upper House) today. He succeeds Dietrich Stobbe, mayor of Berlin. Dietrich Stobbe was elected first vice president for the year starting 1 November 1979. Johannes Rau, the North-rhine Westphalian premier, was elected second vice president, and the mayor of Bremen, Hans Koshnick, third vice president. [Hamburg DPA in German 1311 GMT 18 Oct 79 LD]

BALANCE OF POWER--Hanover--The Lower Saxony premier, Ernst Albrecht (CDU), has said that the United States has comprehended the fact that the military balance of power in the world had changed persistently to the West's disadvantage. Albrecht told journalists this morning in Hanover of his return from 4 days of talks in New York and Washington on nuclear waste disposal and security policy that the United States was in the meantime on the point of restoring the balance. No state had to be as interested in this as the Federal Republic, Albrecht said. It was now a case of supporting the United States not only with words but (?also with) deeds. Albrecht said of the U.S. call to the NATO partners to increase defense (?budgets in) the member countries by three percent that the extent to which this was feasible had to be examined. However, he saw certain possibilities. Albrecht said that he intends, in his capacity as CDU deputy chairman, reporting to the party presidium on the security policy talks, in particular the talk with the U.S. President's security adviser, Zbigniew Brzezinski. With regard to (?questions) of nuclear power stations' waste disposal, Albrecht said that the trip to the United States held what he had hoped from it. The trip had fully confirmed the Gorleben-policy he had entered upon. The Americans were here also on the same path as was being taken in the Federal Republic. There, too, disposal with reprocessing was meanwhile thought of as being just as feasible as reprocessing before disposal. By the same token the Americans had decided in favor of intermediate storage. [Text] [Hamburg DPA in German 1211 GMT 15 Oct 79 LD]

CSO: 3103

SOVIET PATROL FIRES ON FINNISH BORDER GUARDS

Late July Incident Now Revealed

Helsinki HELSINGIN SANOMAT in Finnish 7 Sep 79 p 3

[Text] Five weeks ago, shots were fired on the Finnish-Soviet border. According to unconfirmed reports, a Soviet patrol tried to stop a Finnish patrol and, when the Finns did not obey the order, the Soviets fired several rounds. The Finns took cover.

When the incident was made public on Thursday, the Border Guard Command announced that the matter was cleared up and that no trace of bullets had been found on the Finnish side. Committee spokesman Maj Karl Saksela declined to relate the details of the incident.

The Border Guard Command communique reads as follows:

"It is true that at 1140 on 30 July 1979 several shots were fired in the border area of southeastern Finland. The incident has been resolved through the usual channels in accordance with the border regulation agreement, jointly between authorized Finnish and Soviet border agents. The matter has in all respects been conclusively dealt with.

"The investigation shows that the shots were fired on the Soviet side, apparently in connection with one of the border guard exercises that are from time to time organized on one side and the other. The investigation has been unable to turn up any trace of bullets having reached the Finnish side."

Border Patrol Reluctant To Comment

Helsinki HELSINGIN SANOMAT in Finnish 7 Sep 79 p 3

[Text] The Supreme Command of the Finnish Border Guard declined to answer any questions. Information officer Saksela said that bullets really were looked for on the Finnish side of the border area.

"I cannot comment as to whether our patrol had to take cover or whether they were stopped because I was not with the patrol. This is not a detailed account of what the patrol, strictly speaking, did," said Saksela, defending the skimpiness of the reports.

According to Saksela, it may be that the Soviets used only blanks during their exercises.

"On the other hand, we too conduct exercises in which we fire live ammunition, but generally at targets. Of course, shots are heard on one side of the border and the other now and then; generally exercises are involved," Saksela said.

According to standing instructions, Finnish border patrols may not chat with Soviet guards they run into in the border area.

Officials' Silence Criticized

Helsinki HELSINGIN SANOMAT in Finnish 7 Sep 79 p 3

[Editorial: "Secret Guard Service"]

[Text] Over 5 weeks ago there was an insignificant incident on the Finnish-Soviet border, shooting that began due to an apparent mistake, which the Finnish border patrol fortunately escaped by quickly taking cover. The incident would have been long since forgotten if Finnish officials had not particularly publicized it by deliberately trying to hush up what was in itself an incident of little significance.

Only now, after the news has already been published, has the incident been officially reported in a sort of superficial, evasive communique. The information provided by the Border Guard has once again demonstrated its hostility toward the general principle of making such events public. If the communique can be issued now, it could have been issued 5 weeks ago. Even yesterday, after the press had already learned of the incident, Finland's bureaucracy in many respects demonstrated its panic-like fear of publication.

It is not a good thing if people get the impression that Finnish officials are shocked into silence or feel they have the right to remain silent as well as to mislead people on any matter that has to do with Finnish-Soviet encounters or the border between the two countries.

11,466
CSO: 3107

VIROLAINEN'S CHALLENGERS PREPARING FOR 1980 CENTER PARTY CONGRESS

Helsinki UUSI SUOMI in Finnish 12 Sep 79 p 1

[Text] This time round, the attempt to unseat Center Party Chairman Johannes Virolainen is shaping up to be a precision job.

Virolainen's challengers, primarily the so-called "K-line" [a Center Party faction], intend to sift the new party convention delegates with a fine-tooth comb at the local conventions in the fall.

Even at this point, every candidate will have to reveal who he is going to vote for in the election of delegates to the party congress.

If Virolainen's challengers gain a majority, Foreign Affairs Minister and party Vice Chairman Paavo Vayrynen, among others, may become a candidate.

On the other hand, if Virolainen's supporters preserve their majority, the challenger next summer too will be Vice Chairman Ahti Pekkala who, during his term as minister, demonstrated considerable toughness.

According to published reports, the so-called "K-line" would be prepared to sell party Secretary Mikko Immonen's seat to Virolainen's men if they were to relinquish the chairman's gavel.

Immonen will probably be appointed to the board of Alko [State Liquor Monopoly] next year.

As a threat to Virolainen, Vice Chairwoman Marjatta Vaananen, who has broad support among women, is also favored for the party chairman's seat.

In the last parliamentary elections, Virolainen just barely beat Vaananen. Virolainen and Vaananen are generally counted among the opponents of the K-line.

11,466
CSO: 3107

RAUMA-REPOLA SELLS DRILLING RIG TO NORWEGIAN DYVI CORPORATION

Helsinki UUSI SUOMI in Finnish 8 Sep 79 p 1

[Text] Following lengthy, tough negotiations, Rauma-Repola has finally succeeded in selling the Ocean Ranger-type oil-drilling rig, now 70-percent completed at the company's Pori machine shop.

The contract signed with the Norwegian DYVI [expansion unknown] Company in Pori on Friday is for 270 million marks.

Rauma-Repola assistant general manager Vaino Lassila regards the contract as opening new opportunities to the firm for the sale of oil-drilling rigs for use in the Arctic. Lassila indeed expects that there will be a new drilling rig deal in a few months time.

The rig that has just been sold was originally ordered in 1974 by the Norwegian rigging firm, Pearnley and Eger, which, however, due to economic difficulties was unable to comply with the terms of the contract. The rig was also later placed on the auction block, where the highest bid came to 94 million marks. However, Rauma-Repola refused to accept that bid, preferring to continue with construction of the rig at its own expense.

The Norwegian DYVI Company, which has just bought the rig, will rent it for a period of several years to the Norwegian Government oil company, Statoil, which is beginning to prospect for oil in the latitude of 62 degrees north.

Altogether 15 drilling rigs will be needed in the Arctic and Rauma-Repola regards the deal just concluded as a breakthrough which will put the company in a good position for future orders for rigs.

Over 80 percent of the rig just sold is Finnish made since Rauma-Repola is also supplying the drilling equipment for the rig as well as other special fittings.

Because of its rugged construction, the rig has been dubbed a "second-generation drilling rig."

Its steel frame weighs 15,000 tons.

MICHEL DEBRE PROPOSES WAR ON ECONOMIC PROBLEMS

Analysis of Causes

Paris LE FIGARO in French 17 Sep 79 pp 1,3

[Text] When it comes to French policy, this is no time to go looking for trouble.

As Mr Jean Fourastie demonstrated on this very spot in the clearest possible manner, the deterioration of the system worldwide is ruining all nations. Some are holding out better, because they are adapting to it and moving against it. They will take their places in the winners' camp. Others are not doing so well because they have failed to adapt, and are simply lying low. They will find their places in the losers' camp.

When I choose to speak out, I do not do so -- never mind the too-glibly repeated allegations -- for partisan reasons. I do so because it is clear that France has slid into the losers' camp. The smug satisfaction of a majority living from hand to mouth, like the demagoguery of an opposition living in a cloud of ideological illusion, work together to keep us in the wrong camp, while it is well within our power, as much as in the power of Germany or Switzerland -- to choose only the example of two of our neighbors -- to find ourselves a perfectly honorable place in the winners' camp.

Well, winners or losers, while the innings are the same in politics as they are in sports, the results are very different indeed. At stake, at the very least, is the viability of the state and the living standard of citizens. At worst, the stakes are the survival of the state and the dignity, or in other words the freedom of men and women.

I am telling it the way it is. There are already obviously two kinds of Frenchmen, largely among political or professional leaders, and among the top ranks in education and the media. There

are those who accept defeat (even though in their public remarks they say quite the opposite), and those who want victory. The former understand first of all that once again the primary law is top priority for "every man for himself," which all the strong nations, in Europe and out of it, gaily embrace. In other words, perhaps less shocking, we might put it that what France will not do for itself nobody else is going to do. The same people also understand that in our day politics is very big business, because it is an appeal to make an effort at work, at saving, at investment, at production, and at selling, with everything else relegated to the back burner.

And let nobody tell us that the situation will improve by itself.

The high-minded men who tried after the first World War as well as after the second to lay the foundations of a peace tried basing the future on political order (the League of Nations, then the United Nations), on monetary order (the Bretton Woods agreements), on labor-industry order (the ILO), and on marketing order (GATT). None of their constructs still holds. Some facades are still there, and there is a kind of routine busyness going on behind those facades, which are too flimsy to cloak an ineffectual and selfish hypocrisy. Sometimes, and this is the most important fact, the whole edifice crumbles -- which is what happened to the monetary order, which was sunk, then destroyed because the Americans wanted it that way, and supported by the clients and allies of the United States, from whom we were not smart enough, despite ample warning, to break away publicly.

One would readily allow one's self to be tempted to say, "Before it's too late, let's get back to the drawing-board and call a big international conference to restore political order, monetary order, social order, trade order..." That's when we can clearly single out the underlying causes of the disorder which, like any other disorder, leads straight to war -- to all the varieties of war, economic, political, social, and shooting.

These causes are different. There are four of them, all four of them very serious and all four of them aggravated still further by two phenomena which are generally brushed off lightly.

The first case is the unprecedented growth in military spending by the superpowers. The portion of revenues these superpowers devote to their superarsenals, to which must be added the weapons distributed all over the world, is an economic millstone which is profoundly altering the economic balances of the whole world.

The second cause is the ceaseless thrust of needs and aspirations. Science and technology make remarkable conveniences available to people, but they are costly, once the profit from

them are spread around and once the demand for as complete and quick a spreading of that profit or benefit is intensified. Consumption eats up production, and makes it more costly.

The third cause is the growth of industrial and agricultural competition, which is daily intensifying and in which everything is poured to make it increasingly savage: the glut of money, the ease of transport, the swiftness with which technologies are assimilated, and the low cost of labor on many continents -- Asia, Africa, South America...

The fourth cause is a familiar one: the awakening of the oil-producing countries and of those producing other raw materials to the profits they can reap from an understanding with the character of a monopoly or simply of market domination, the purpose of which is to push prices of their products steadily upward.

These four causes, insofar as concerns the West and particularly its European portion, add up to so many battering-rams pounding not only at the foundations of its power and its wealth, but also at its social equilibrium and its freedom.

They are aggravated by the impact of the ideological collision and by the spread between the demographic curves.

Understanding between different religions, detente between conflicting systems, and cooperation among very disparate peoples represent the expression of a tolerance which is an indispensable ingredient of peace. Even so, we should be aware that this understanding, this detente, this cooperation assume a balance of power. If there is none, the eternal law that says that the strong shall oppress the weak will continue to run... So, since we are doing everything we know how to spoil our ideological image, doing everything we can to scrap the fundamental values and the collective disciplines without which freedom itself is crippled, ideologies hostile to our social and humanitarian ideas are taking the offensive, or rather continuing their offensive and pouring over onto ground we have mined ourselves, considering what we have given up. And western diplomats are busy picking and choosing among hostile ideologies, and singling out the ones we should do better to back against the others, so we can take advantage of their quarrels. O Liberty! How many sins are committed in thy name!

As for the widening gap between demographic curves and its consequences, and the spread of false ideas in France, in Europe, and on the West... well, that will be a source of amazement for future historians. To hear western sociologists hold forth on the virtues of zero population growth and to boast about them, while the birth rate in systems and cultures of other continents

is going through the ceiling will be likened to the blind stubbornness of Byzantine monks wrangling over the sex of angels, while the armies of the Sultan threatened them and all their flocks with death and slavery.

The imbalance between ideologies and demographics accentuates arms spending, the effect of new expectations on the part of ordinary people, industrial competition, and the monopolistic fervor of the oil producers... This means that in a world so swiftly on the move and in the process of being turned upside down, the economic war we face is going to last a good long time. How unbearable it is to hear these soothing spells about things' getting better naturally.... How utterly intolerable these incantations about the easy life, about leisure time, about the shortened work-week... And let's not start up that pre-1939 debate between those who were happy with our military policy and those who espoused bleating pacifism. Both sides were part of the same disaster.

What lies ahead for us, practically speaking? Still higher prices, and still more unemployment. In other words, the cumulative impact of inflation due to rising costs and of stagnation due to a lack of investments.

Inequality among French citizens is going to mount, just as the state's ability to cope politically is going to decline. France is out of breath, losing its momentum, falling behind...

There is just barely time to fight back...

Proposed Solutions

Paris LE FIGARO in French 18 Sep 79 p 6

[Text] On the day when the French government tells the French people, "We are at economic war, and I am making war," its strategy will be simple to define and to explain. Its implementation, however, will take a lot of muscle, because for a while it will have to lift the French people above themselves, which they won't like at all while it is going on, but for which they will be grateful afterwards, and of which it is proud.

The three main thrusts of the economic offensive are familiar. They have to do with finance, energy, and production, with the spirit of enterprise.

France's finances include at once the state budget, the Social Security budget, those of the local communities, and the distribution of private incomes. When the question of our finances leads to spending more than we produce, to borrowing so as to keep our public services operating, to printing bales of money and to distributing in private incomes a sum consistently and

considerably greater than the national revenues. We wind up directly or indirectly increasing the cost of production under conditions which seriously handicap the whole of the nation's economy. We are in this situation right now, and we are sinking deeper and deeper into it. We must cut back on state and Social Security spending. We must have an incomes policy. To put it another way, we have to cut back on laws, decrees, and habits, meaning enact new laws and new decrees and acquire new habits suitable to wartime.

Living with open doors, thanks to the outworn policy of the European Economic Commission, which has not been rectified here in France either the way the Italians did it (the fiscal maquis) or the way the Germans did (with standards and rules), is tantamount to dooming ourselves to add yet another cause for stagnation, one all the more grave in that it hobbles and sometimes prevents the creation of new activities. There is not a single nation in the world today, yes, I mean not one single one, which in these times, to ensure the development of its resources, the continuation of activities dear to its heart, and the creation of new kinds of production, does not resort in one way or another to government measures. All this talk about liberalism and free trade is giving rise to a remarkable chorus of lies, in which the United States and Japan are vying for first place. And tagging right behind these two champions is a whole pack of also-rans... France is not on the honors list, to our cost. We have to work out a sound energy bill, dealing first of all with nuclear power. After that, we need priority bills for various and sundry vanguard and basic industries, and for encouraging the expansion or emergence of new activities. That, though, is not enough. We also need an intelligent protection policy, like the best of our Common Market neighbors, Germany, and like Spain, which is still outside it.

Finally, we have to unleash business, and encourage the spirit of enterprise. Peacetime and prosperity, occasionally followed by periods of frivolity, have begotten laws, regulations, and collective bargaining agreements totally unsuitable to wartime. We simply must send them back to the drawing-board. The national disgrace of the sale of the France to a Norwegian passenger line, and her repairs in a German shipyard, evoked not one -- not even one -- outcry in the public interest, although it is clear that the state of our shipyards and the sweeping changes in the merchant marine laws called for one, and still do. This is merely one of many examples, and it is not tarnishing the generous and humanitarian nature of our social legislation to dodge the impact of measures that put the brakes on jobs. I will add that the times are so bad that we must try everything we can think of to guide some of our brightest young people coming out of the great schools and universities into business and sales promotion. If we do not have new productive enterprises springing up, if we do not have development and expansion

of the businesses we have, and of production, that decadence that now threatens France will indeed be profound.

The action and the reforms necessitated by this three-pronged, indispensable offensive are going to come as a shock both to received wisdom and to ingrained habits. They cannot be accepted, nor, in the last analysis, will they be effective, unless at the same time measures to restore solidarity and equity in our society make their contribution to changing the way our people think and behave. The battle against tax shelters would be one useful task for the European Community to undertake, and one entirely within its jurisdiction. Civilian service for young men who do not do military service and for young women seeking civil service positions or the like, while leaving room for social or cultural achievement, would bring about salutary changes in some over-egotistical mindsets. Advancement and sharing would show renewed vigor once growth resumed. Recovery in productive investment would be assisted by a special, one-time tax, as was done in Liberation days. Finally, a last but vitally important measure: support for families and for mothers would take top priority in social policy.

The French are sitting and watching France wither away, while they stuff their brains with wrong-headed ideas. Even now, the decline in the birth rate is one cause of the rise in unemployment. All one need do to grasp that fact is to think of the million babies who would have been born had our birth rate stayed where it was in 1968. The producers of milk, textiles, and shoes are short a million small customers right now, and manufacturing and housing construction will soon be short just as many. Tomorrow, meaning 5 or 6 years from now, our welfare system will be bankrupt, with the number of contributors dropping every year. A new family policy -- one worthy of the name -- is a national necessity and, while a number of measures of different sorts are called for, the key to that policy is a guaranteed income to mothers of three or more children, an income generous enough to allow her to choose between her home and a paying job. All the savings necessary for adoption of this reform are in the public interest because, without a great many households with three children, France's economy and France's society, and France itself, are doomed.

When you want to get rid of your dog, you tell people he has rabies. That ancient saw keeps cropping up in my mind ever since I began hearing criticism of my proposals. Sometimes, holding up one particular measure, the critics feign terror. For example, I am painted as a flagrant protectionist nostalgic for the "good old days," whereas I confine myself to pleading for us to be, for the protection of our own business and industry, at least as smart as the Germans, if not so clever as the Italians. At other times, looking at the whole picture, they

are horrified at the kind of interventionist policy I propose, and at the constraints it would entail. There you have it! The dreadful confession! They really think, in high places, that the French can sweetly go to sleep and that victory will welcome them with open arms when they wake up. That might be true if the Seine, the Loire, the Rhone, the Garonne, and our side of the Rhine were to turn into rivers of crude oil. That, however, is a scholastic hypothesis, and so we shall just have to work and invest. There are others who paint a fearful picture of the austerity to which I would sentence France, out of pure sadism. Let's not talk about the far-off Japanese, of whom it is never reported that their standard of living has caught up with ours -- but are the Germans, are the Swiss suffering? Who drives along our highways? Who crams all the hotels and all the campgrounds? It's a wierd kind of austerity that can, thanks to a booming industry and a strong currency, can cut down unemployment, increase consumer purchasing power, and improve the government's capacity for action, particularly in the field of social services.

And so eventually, lacking any meaningful argument, the critics come back with countless paraphrases of the same tired old answer: the political situation makes it impossible for us to do anything other than what we are doing now. All the rest is pipe-dreams.

This is the way a system dies, and the way it brings its nation down with it to ruin or disaster. Are we going to let the 5th Republic follow in the footsteps of the 3rd and 4th? I am all the less reconciled to a repetition of pusillanimity in our leadership, of the jejune games of princes and parties, of slavish conformity in thinking, and of the refusal to rely on one's own convictions for undertaking a great and vital task, because the institutions of this 5th Republic, more than those of previous Republics, are designed -- and this is not said often enough -- to make it easier to use power in troubled times. And they would forswear the exercise of power out of fear of measures that would call for the effort it will take to put us back on the winning side... This abdication of the more shameful in that the French have awakened to the new world they live in, and in that they know, considering the progress made over the past quarter-century, are privileged by comparison with many others who are far harder hit than they. The effort doesn't scare them a bit, and the rebellion will howl round the ears of those who were too timid to lead the way.

Until some government with the public welfare at heart stands up and says, in the face of economic war, "I will make war, nothing but war," French policy will shoot wide of the goals of the nation, and of the men and women who make it up.

VOLUME OF FOREIGN INVESTMENTS ANALYZED

Athens EPIKAIRA in Greek 9 Aug 79 pp 45, 46, 47

[Article by K. Tsouparopoulos: "Foreign Investments in Greece Total \$1.5 Billion"]

[Text] Recent data from the Ministry of Coordination--which relate to the period from the entering into force of the ratified Legislative Decree 2687/1953 (concerning protection of foreign capital which is invested in our country) up to 30 June 1979--put the level of invested foreign capital at \$1,430,311,896 (on the basis of those investments which came under the provisions of the above law).

In fact, from announcements by Deputy Minister of Coordination St. Dimas it follows that the first evidence of an investment recovery in our country is appearing--a recovery which is being accomplished on the basis of imports of foreign funds. At the same time, the investment "doldrums" with respect to capital of foreign origin seem to be "snapping." Specifically, during the period of time from 1 January 1979 to 30 June 1979, imports of foreign funds amounting to \$163.6 million were authorized in accordance with Law 2687/1953, as compared to \$86 million during the corresponding 6 months of 1978 (an increase of 90.2 percent) and \$149.8 million for the whole of 1978.

A significant increase is also being observed in authorizations of productive investments in accordance with Law 4171/1961. Thus, in the interval from 1 January 1979 to 30 June 1979, investments totaling 14.5 billion drachmas were authorized, compared to 11 billion drachmas in the corresponding 6 months of 1978 (an increase of 31.8 percent) and 23.5 billion drachmas for the whole of 1978.

Historical Retrospective View

It is unnecessary to stress--at least to any sincere student of the subject--the significance and the role of foreign capital in the economic reconstruction of this country following World War II and its contribution to the industrialization of Greece. The circumstances of its participation

in the country's developmental effort and in the direct exploitation of the nation's resources can--of course--be the subject of criticism, but not its universally admitted necessity. Today, no country refuses--assuming that it abandons its isolationism--investments of foreign capital on its soil, which contribute to increasing employment, to the transfer of technological advances, to the receipt of profits from the process of added value, and even to the stabilization of its balance of payments.

Faithful to the classic strategy of development via industrialization, the program of economic development which was set up in 1953 gave--in the industrial sector--an absolute priority to the establishment of certain basic units. These industrial units were to be plants for the production of nitrogen (raw materials: lignite, iron pyrites, and limestone), aluminum (raw material: bauxite), nickel (production from Laryma mines), magnesium (magnesite), sodium bicarbonate (with the salt from Mesolongion), sugar (sugar beets), cast iron, and also petroleum refineries and units for the refitting of ships.

In order to fulfill the necessary conditions which would permit the commencement of a serious developmental effort, the country's credit standing in foreign countries had to be strengthened, which would ensure a long-term process of capital inflow. The fruit of this line of reasoning was Law 2687 of 31 October 1953 "concerning investments and protection of foreign capital," which was vested--and continues even today to be vested--with constitutional force.

Many commentators believe even today that the legislation of 1953 on the creation of incentives for attracting foreign capital has not produced the hoped-for results. Nevertheless, such an opinion must be altered when consideration is given to the inadequacy of the nation's industrial effort at that time. An inadequacy which was revealed in the days following the signing of the Esso-Papas agreement by the then minister of coordination, P. Papaligouras.

According to ministerial declarations, up to that time the total invested capital in the industrial sector did not exceed \$623 million, of which about \$220 million represented the pure participation of the 447 most powerful businesses. The total investment of Esso by itself was on the order of \$200 million--that is, it was 1/3 of the total capital invested in the country--and there was another \$160 million entailed in the investments of these 447 businesses.

Present Situation

On the basis of Draft Law 2687 and on the strength of special agreements, the Greek administrations have granted a number of advantages and privileges since then (respecting taxes, exemptions, exclusive rights) to foreign investors, which the parliamentary opposition has characterized

as "scandalous." Included among these privileges are the potentiality of repatriation (to the country of origin) of 10 percent of the invested capital per year, and the potentiality of exporting interest or profits up to a percentage of 12 percent on the invested capital.

Regardless of the criticisms--in many cases sound, in our opinion--of the parliamentary opposition with regard to the terms of these special agreements, it is clear that the industrialization of the country has been sustained and fulfilled thanks to the large investments which have been made on the basis of Legislative Decree 2687. The investments of Fessine, of the Esso-Papas refineries and so forth, the Khalyvos [Steel Works] Corporation, the Andreadis and Niarkhos Shipyards of Elefsis, Larko, the Chemical Industries of Northern Greece, and the Petrola and Motor Oil refineries have put their stamp on the economic life of the country and on the progress it has made toward the transformation of Greece from an agricultural country into a developed industrial country, even if this development has been denounced as "distorted" and "anarchistic" by many sides.

But to what countries belongs the invested foreign capital in our country, so that we may draw the necessary conclusions with respect to the help which this capital has furnished in the effort of economic recovery, or--according to others--with respect to the degree of dependence of the Greek economy on foreign decision-making centers?

Given a total level of invested foreign capital in our country of about \$1.5 billion (on the basis of Law 2687 and from official data of the Bank of Greece), on 30 June 1979 the investments of capital from the United States came to \$314 million (21.1 percent of the total), thus occupying first place. Second place is held by French investments, with \$214 million (14.2 percent). This is followed by Panama, with \$101 million, Switzerland with \$83 million, West Germany with \$68 million, Italy with \$34 million, England with \$20 million, Japan with \$16 million, Austria, the Netherlands, and Liechtenstein with \$11 million, Belgium with \$4 million, and so forth. If the capital totals of the member countries of the EEC are added together, then the EEC capital amounts to about \$352 million and occupies first place, dislodging the United States to second place.

Finally, what is the structure of this foreign capital--that is, in what sectors of the economy is it concentrated? Some 68.8 percent of the total--that is, \$984 million--is invested in industry. Coming second is the sector of transport-warehousing, with \$302.1 million and accounting for 21.1 percent of the total, third is the sector of hotel and tourism businesses, with \$73.9 million or 5.2 percent of the total, fourth is the sector of quarries-mines-salt works, with \$33.2 million or 2.3 percent of the total, and next to last is the sector of banks-insurance agencies, with \$29.5 million or 2 percent of the total. Only 0.6 percent of the total foreign capital is invested in primary

agricultural production (stockbreeding-farming-fishing)--something which shows that the foreign capitalist does not desire investments in this sector on account of the low return on investment. Furthermore, 26 years of experience proves that the analyses of certain people, who maintain that with our entry into the EEC there will be a flood of foreign capital into Greek agriculture, are at least naive. This can happen only in the sector of processing agricultural products, with much less flowing to the sector of their production.

In industry, those branches which have attracted foreign investment interest above all are those of petroleum and coal (refineries, and so forth), which accounts for 26.5 percent of the capital invested in industry; basic metallurgical industries (aluminum, steel, nickel)--which is a preeminantly heavy-industry branch--which accounts for 22.5 percent; chemical industries, with 13.3 percent; shipyards, with 8.7 percent; and electrical machinery and telecommunications equipment, with 7.2 percent of the total.

Will EEC Capital Leave?

Despite the hopeful indications that the interest of foreign business groups in Greek investments is reviving (General Motors, for example, has repeated its proposal for the construction of an automobile factory), fears are intensifying--as the day of our full entry into the EEC draws nearer--about a flight of EEC capital from the country, since it will possibly seek to benefit from the freedom of movement of capital which will then prevail, even if only after 1986 (5-year transitional period). On the basis of this principle, every citizen of EEC member countries will be able to convert to cash his direct investments in Greece and repatriate the proceeds of the liquidation to his own country. Governmental services consider these fears to be excessive. And they explain: First, from a theoretical viewpoint, since this capital has been invested in our country for the benefit of the investor, there is no reason for it to be exported as long as it continues to have the desired return on investment. Unless its removal from here and its establishment elsewhere is encouraged by a change in the international economic situation. Second, as a practical matter it is difficult to export this invested capital, because its liquidation in Greece is imposed as a necessary condition. And no Greek will have at his disposal the ready money needed for buying such large outfits, unless a bank loan is forthcoming--which however will not be given.

But other services consider the danger to be real, for the additional reason that there is a special incentive for the flight of EEC capital. This consists, they point out, in the option which the Agreement of Accession grants of exporting not only the invested capital and its profits, but also the surplus value which has been created in the meantime. In fact, they calculate that of the approximately \$352 million of EEC capital in Greece, 1/5 has been invested in buildings and lands--whose value, with the increase in the price of land, has increased by

at least fivefold today. Consequently, those investors who decide to liquidate their investment will get (all together) a "bonus" which is on the order of approximately \$350 million more.

Table: Structure of Foreign Capital According to Sectors and Branches.
In United States Dollars

Sectors-Branches	Level of Imported Capital
A. Sector of Industry-Branches	
1. Foodstuffs and beverages	27,656,093
2. Tobacco industry	3,812,073
3. Textile industries	28,964,422
4. Footwear-shoes	9,099,364
5. Woodworking industry	5,877,811
6. Paper industry	14,645,509
7. Furniture, fittings, and fixtures	267,311
8. Leather industry	451,093
9. Chemical industries	131,156,951
10. Plastics	7,184,861
11. Petroleum and coal	260,522,402
12. Non-metallic minerals	34,863,559
13. Basic metallurgical industries	221,446,209
14. Final products from metals	16,627,978
15. Machinery-equipment	3,417,363
16. Electrical mechanical devices and electrical telecommunications equipment	70,850,037
17. Transport vehicles and automobile supplies	36,133,668
18. Shipbuilding	85,500,004
19. Miscellaneous	16,102,834
Total of Industry	984,579,542
B. Sector of Hotels and Tourism Businesses	73,973,449
C. Total of Transport-Warehousing	302,116,492
D. Sector of Stockbreeding-Farming-Fishing	6,827,645
E. Sector of Quarrying-Mines-Salt Works	33,292,453
F. Sector of Banks-Insurance Agencies	29,522,295
General Total	1,430,311,876

Data of the period from 1953-30 June 1979

12114
CSO: 4908

TRADE TRANSACTIONS WITH BULGARIA INCREASED

Athens TA NEA in Greek 22 Aug 79 p 13

[Text] Sofia, August, Sofia Press Agency--Bulgaria is developing into one of the best customers of Greece, and it is also one of its best suppliers.

The transactions between the two countries have tripled from the initial years of the decade of the 1970's to the present, having now reached \$100 million in both directions.

At this moment, more than 120 Bulgarian buses are going about on Greek streets, while in Sofia an abundance of products from many Greek factories are available.

Bulgarian political circles have been showing a lively interest in recent days in increasing exchanges between the countries, and a number of contacts and talks between the two countries have already taken place concerning these matters.

Bulgaria is interested in exporting more machinery, chemicals, and metallurgical products to Greece.

Greece can export to Bulgaria more cement, aluminum, and nickel, semi-processed chemical products and electrotechnical articles, chemicals, electrochemicals, and household appliances.

In certain cases, according to the forecasts of Bulgarian planners, an exchanging of entire factories could be made between the two countries. Something of this sort has already happened, although on a limited scale.

Factories are Being Sold

For example, Bulgarian industry has equipped certain fur-making enterprises in northern Greece with all their required machinery.

Furthermore, a short time ago the Bulgarian foreign-trade firm of Technoexport signed a contract with the fur-making outfit of Deras in Xanthi for the construction of a factory in this city.

The Greek Chamber of Commerce and Industry has had close relations with its Bulgarian counterpart ever since 1953, and this is greatly helping in the development of cooperation. But whereas relations with respect to tourism are developing satisfactorily in addition to commercial transactions, the Bulgarians believe that there has been some delay in sectors such as scientific cooperation, the exchange of know-how among similar fields, and specific cooperation for the materialization of major technical objectives.

Despite these things, the Bulgarian side confirms that there have been cases of very good cooperation, such as for example in cement technology, in which Greek experts have furnished their valuable experience so that complicated construction projects could be carried out in Bulgaria.

Similarly appreciated has been the contribution Greeks have made to the development of the milk-production industry and to the processing of certain kinds of cheese, such as hard grating cheese and Roquefort.

The Bulgarians have become lovers of Greek cheeses, despite the fact that they also have a large production in this commodity.

Salonica and Volos

For years, Bulgarian companies have been using the port of Salonica for their transport trade, conducted in large freighters or refrigerated vessels. A new factor is the port of Volos, which itself has begun to serve Bulgarian firms, especially following its direct link-up with Syria, with which Bulgaria has close and growing economic relations.

With respect to tourism, the Bulgarians are satisfied with their Greek contacts: It is calculated that each year more than 80,000 Greeks visit Bulgaria.

The meeting which Premier Karamanlis and the leader of Bulgaria, Todor Zhivkov, had in April was regarded as being of special significance for Bulgaria.

One of the consequences of this meeting was that a text was signed bearing the title "Agreement on the Directions of Further Development of Economic Cooperation Between the Greek Republic and the People's Republic of Bulgaria, From the Present to the Year 1985."

This document, which was signed in Kerkyra, had been discussed initially by the two leaders in a previous meeting, which had taken place in Varna.

Despite its general title, this agreement contains a number of details on those sectors where long-range development of economic cooperation between Greece and Bulgaria is anticipated.

In particular, the following sectors are provided for and mentioned explicitly and specifically: Automobile making, conveying machinery, machine-making equipment, tools, and industrial outfits connected with mineral resources.

New Border Stations

The agreement further provides for the establishment of new border stations between the two countries, for the facilitation of the increased trade exchanges.

Another ambitious plan, whose materialization could benefit both Greece and Bulgaria in many respects, in their more general international relations and in their economic development, is the promoting of new roads for international transport.

These roads, which necessarily pass through the territory of both countries, will extensively facilitate communication between northern Europe (as well as western Europe) and the Middle East and Africa.

At all events, in general terms one could say that relations between Greece and Bulgaria have not been faring at all badly, at least in the sector of economic and commercial exchanges.

Thanks to the general program which has been drawn up and which is considered especially significant on the part of the Bulgarians, it is anticipated that in the immediately coming years the trade transactions of the two countries will increase some 2 or even 2.5 times in comparison to the 1978 level.

This means that these transactions will reach the level of \$200 or \$250 million--something which will have favorable consequences not only on the standards of living of the two peoples, but also on the entire political climate in the Balkans.

12114

CSO: 4908

YUGOSLAV TRADE DELEGATION TO VISIT ATHENS IN NOVEMBER

Athens I VRADYNI in Greek 13 Aug 79 p 13

[Text] The congress of the Mixed Interministerial Committee of Greece and Yugoslavia will take place, according to information received, in Athens in November. For the duration of its work, the Mixed Committee will investigate the course of the economic and commercial relations between the two countries and the possibilities for furthering them.

The chairman of the committee representing the Greeks will be Minister of Commerce G. Panagiotopoulos, and representing the Yugoslavs, Minister of Industry and Energy Matkalyi.

Particular emphasis will be placed on the balance of trade, which has been perceptibly negative, at Greece's expense, since the clearing [arrangement] was abolished. With the recent improvement in our exports, and if the rate of increase continues to the end of the year, it is hoped that the deficit will be sufficiently reduced, that is, from 94 million dollars in 1978 to 70 million dollars.

The Yugoslavs also support the idea that concluding long-term contracts for the purchase of Greek products and the sale of Yugoslav products would help in confronting the problem of imbalance on a more stable basis.

The Yugoslavs also note the change that has occurred, in the last three years particularly, in the structure of Yugoslav import trade, in general, the reduction in the percentages of imports of consumer goods and increase in the percentages of imports of raw materials and semifinished products. This change affects the imports of consumer goods from Greece, and new products of Greek industry, needed by the Yugoslavs, must be sought.

The subject of promoting Greek-Yugoslav industrial cooperation will also be discussed.

Already, as we have been informed, the establishment of a joint Greek-Yugoslav industry for the production of mobile homes in Greece is in the final preparatory stage.

Finally, also to be included among the subjects to be discussed in the course of the work of the congress of the Mixed Interministerial Committee of Greece and Yugoslavia is the issuance of permits by Yugoslavia for Greek transport vehicles to pass through Yugoslav territory.

12151

CSO: 4908

GOVERNMENT OFFICIAL DISCUSSES REGIONAL DEVELOPMENT

Athens EPIKAIRA in Greek 16 Aug 79 pp 46, 47

[Article by K. Tsouparopoulos: "Frenzy of Regional Development Programs"]

[Text] "The reduction of inter-regional inequalities constitutes a humanistic and ethical demand of primary importance. No community could continue to maintain even a sense of existence for the peoples who belong to it if the standards of living among them are very different."

This was stressed by the former agent in charge of regional matters for the Common Market, (George Thompson), in the course of his visit to Athens in 1978 (see "European Community" source).

The reduction of the disparities among the European regions has been one of the primary objectives of this Community, precisely because the overcoming of these inequalities would be a great step towards its economic unification. The European Regional Development Fund (ETPA), which began functioning in 1975, was chosen as the instrument for the realization of this objective. In the first 3 years of its operations, it was endowed with a total of 1,300 million units of account (300 million in 1975, 500 million in 1976, and 500 million in 1977). In 1978, the budget of this fund was 580 million units of account (1 unit of account = 1.20 dollars, approximately), and in 1979 it is expected to amount to 945 million (an increase, that is, on the order of 62.9 percent).

But the problem for us is whether Greece would be able to be given funds from the Community budget for the financing of those of its programs which would diminish regional inequalities. That is, whether at the time of its full accession into the EEC it would be able to present the required developmental studies for projects which would be candidates for financing.

A discussion with Mr Palaiochrassas, a young democrat and political figure who is full of spirit, dynamism, and a thorough knowledge of the problems in this sector, was more or less sufficient to persuade

me that at least something is beginning to jell in the State machinery, which up to now has been slow-moving and inflexible. "Even the greatest of ages begins with a first step," stressed the ill-fated Secretary General of the United Nations, Dag Hammerskjold, in his report on development and international cooperation in 1975.

Prerequisites for Financing

"Some 250 people in the Directorate of Regional Development of the Ministry of Coordination, headed by Mr Giatrakos," Mr Palaiochrassas tells us, "in cooperation above all with the Ministry of Agriculture and the KEPE [Center for Planning and Economic Research], are working with super-intensity to draw up general and specific regional programs." And he anticipates our next question by saying that "we will be sending them (in the EEC) certain programs from now on, so that they will have all this time to study them and so that immediately after 1981 we can be given monies from the regional fund."

In the initial discussions we form the impression that if all the programs proceed to the stage of implementation, Greece will be transformed into one big work site. In general terms, these programs concern at least 3 million Greeks and include over half the area of Greece.

On an order of the deputy minister, the KEPE is already drawing up nine programs for an equal number of broad regions of the country. Thraki, eastern and central Makedonia, the Aegean islands, Ipeiros, Sterea Ellas, northern, central, and southwestern Peloponnisos, and so forth are the subjects of programs and of investigations concerning their developmental possibilities.

Palaiochrassas begins to relate the programs being elaborated, but we interrupt him by asking him to tell us the prerequisites under which the ETPA grants financing (and will be granting financing to Greece).

Answer: This fund customarily finances infrastructure projects or State programs for promoting regional development through a 50-percent sharing of their costs, whether they are public or private projects. For example, the incentives given by the recent Law 849 fall within the financing terms of this fund, as does also the subsidizing of the interest for an industrial loan. That is, if the subsidy is 3 units, the fund will give 1 1/2 units.

This fund finances State expenditures which are made and not reimbursed. For this reason, it does not finance those interest-free loans to businesses which are given on the basis of Law 849, precisely because these are paid back to the State. However, the subsidizing of the interest is financed, and if the interest-free loan is considered to be such a subsidy, it also is financed.

A second prerequisite for financing is the incorporation of the particular projects into regional programs. For example, if the State subsidizes an industry in Mytilini without that specific industry being incorporated into a broader program of development for the island, then the ETPA does not participate in its financing.

EPIKAIRA: Are there specific developmental programs which will be submitted to the EEC for an approval of financing, and if so what are these?

Answer: We find ourselves--at least with respect to the broad regions which I mentioned to you--at the stage of drawing up the proposals, following an investigation of the developmental possibilities of each area.

This does not mean that we are not elaborating programs at the level of the nome as well, and development programs for problem areas. The program for the Nome of Evros, about which the general director of regional development of the EEC, (Mataizen), has expressed his enthusiasm, is already at the execution stage. The program for Lesbos has now been finished, while the programs for the nomes of Khios, Samos, and the Kyklades will be finished in October. The development program for the Nome of Rethymni will be completed at the beginning of 1980, while the drawing up of programs for the nomes of Grevena, Arkadia, and Evrytania is going forward.

At the same time, programs for the development of the problem areas of Nevrokopion and Parnestion in Drama, Sindiki in Serrai, and Falaisia and Gortynia in Arkadia have been elaborated.

103 New Industries

EPIKAIRA: You referred generally to the programs of Evros and Lesbos, the setting up of which has been completed. What do these programs include?

Answer: We are aiming at the industrial development of Evros, through the doubling of the output capacity of the sugar factory at Orestias and the establishment of a silk industry at Souflion. At the same time, irrigation and drainage projects, projects of forest development and management, road building, and so forth are being and will be carried out. We are also aiming at community development, with the creation of cultural centers, community markets, and so forth. Another important project will be the creation of a free zone at the port of Alexandroupolis. The entire program will be executed in 5 years, and its cost is on the order of 3.5 billion drachmas.

The Evros program is a minor example of our development strategy. This effort is being supplemented by Law 289 on the development of

the border areas. Despite the unfavorable economic situation in the sector of investments, Thraki generally is showing a vigorous developmental climate, which creates optimistic prospects. In the 2 1/2 years of practical implementation of this law, 103 industrial outfits have been created in this area, while another 109 outfits are being built. These projects, whose total investment is 6.8 billion drachmas, will create approximately 6,000 job openings. Furthermore, there is a characteristic readiness on the part of the banks to help in the developmental effort of this area. Of the 212 businesses, some 207 have been granted loans by the banks. The loans of the ETVA [Hellenic Industrial Development Bank] have come to 2,135 million drachmas, those of the National Bank to 2,177 million, of the ATE [Agricultural Bank of Greece] to 1,341 million, of the European Investment Bank to 110 million, of the Credit Bank to 77 million, of the National Land Bank to 31 million, of the Savings and Loans Fund to 7 million, and of the Ionian and People's Bank to 11 million drachmas.

Furthermore, the new job openings are causing housing problems. To solve these problems, the Land Bank is creating three model settlements with about 12,000 residences.

A similar investment climate--on a smaller scale, of course--is also being seen on the islands of Lesbos, Khios, Samos, and Dodekanesos. In the Nome of Dodekanisos, 29 outfits are being built at a total investment of 229 million drachmas (175 million with bank lending), which will employ about 500 people. In the Nome of Lesbos, 52 units are being built, at a total investment of 540 million drachmas, which will employ 800 persons. On Khios 17 units, at an investment of 170 million drachmas, with 200 persons employed, and on Samos 16 units, at 614 million drachmas, with 250 persons employed. A large textile outfit is being established on Samos by the National Bank, at a total investment of 300 million drachmas.

The Lesbos-Limnos program includes: Establishment of a dairy industry on Lesbos and a wine industry on Limnos, completion of the ports of Mytilini, Limnos, and Agios Evstratios, extension of the runway of the Mytilini airport, elaboration of a regulatory plan for Mytilini, a special development program for the fishing industry on Lesbos, completion of an urban and rural road network, and so forth. The total public investments will be on the order of 2.7 billion drachmas.

And an agreeable surprise operation: "For the first time, for the purpose of elaborating development programs for rural settlements, meetings are being held of the residents who live in the villages, at which proposals are made, opinions are listened to, and conclusions are reached which will be transubstantiated into programs. Representatives of the nomarchy, planning experts, and municipal and communal authorities are participating in these meetings," adds Mr Palaiokrassas.

Popular Participation

But what are these rural settlements, and at what are they aimed? In every nome, the deputy minister tells us, those villages are selected which present possibilities of development. Through various infrastructure projects, we give them an impetus so that they can gradually constitute a center of attraction for the residents of the surrounding villages. Our final objective is on the one hand to concentrate the thousands of isolated rural settlements into large towns, and on the other to improve the standard of living of the rural residents through the services which the town will provide. To achieve these objectives, we are constructing paved, tree-lined squares, we are establishing small cultural centers with halls for artistic performances, lectures, and so forth, we are carrying out small drainage projects and constructing flood-control works, we are opening up roads between the rural center and the surrounding villages, and so forth. Finally, in concert with the individual agencies, we are also concentrating other "investments" in these rural settlements (for example, schools, clinics, a postal service, savings bank, OTE [Greek Telecommunications Organization--i.e. phone services], and so forth).

Already being developed are programs for rural settlements in the nomes of Rodopi, Xanthi (in these two nomes we are in the second year of quite successful execution of the programs), Drama, Florina, Ioannina, Thesprotia, Trikala, Karditsa, Voiotia, Akhaia, Lakonia, Kania, and Irakleion. In the latter 11 nomes, the process of implementing the programs is beginning this year, with the projects being put up for bidding.

"Already," Palaiokrassas tells us, "we have made arrangements with the EEC for these programs to be financed as total programs and not as isolated projects."

The frenzied elaboration of programs now being observed provides hopes that the "challenge" of the EEC--that is, the chance which is being won through struggle and toil--is beginning to have the initial effects of an awakening. To paraphrase Galileo, we could say: "And yet (something) moves."

12114

CSO: 4908

PITSOS INDUSTRY DECLARED BANKRUPT

Athens TA NEA in Greek 23 Aug 79 p 11

[Text] The convening of the general shareholders' meeting of the Pitsos Corporation for the purpose of their approval of the dissolution of the company, because of a "significant decrease in its capital," is the second incident of the closure of a business and the third casualty in the field of electrical appliances due to a prolonged labor-management dispute. The first concerned the Neorion Shipyards of Syros, which as is known were given up by their promoters, the Goulandris group, following a prolonged strike by its wage-earning personnel, whereupon they were finally taken over by the National Bank in association with a foreign firm. The other two outfits in this field which faced a similar situation were the Izola company (which merged with the Eskimo company), and earlier the Kelvinator company, which was finally dissolved (for other reasons as well).

However, the Pitsos Corporation casualty has a peculiar aspect: This company, which was one of the five foremost Greek industries with respect to the number of persons it employed in 1974, with 2,300 persons employed, gradually reduced its activity to the point of having less than 1,300 workers this year, and finally to the point of closing, the result being that these workers--most of whom are skilled technicians--have lost their jobs. Neither the withdrawal of the Greek management 4 years ago, when the majority vote was purchased by the German company of "Siemens," nor the effort to reorganize and specialize the company (in the direction of large refrigerators) was able to save it from dissolution.

The causes of the company's dissolution are not many. They can be summed up in a few words: Lack of trust!

A lack of trust between the administration of the company and the workers and an incessant litigating between the management and the trade-union leaders, which led to firings, work stoppages, lawsuits, and other disagreeable situations.

The workers in the company felt that they were being unfairly treated by the management, and the management thought that it was being hampered in its effort to reorganize this industrial outfit and make it profitable.

The lack of contact and understanding of the problems of one side by the other and vice versa came to such a point finally that the workers believed that "the profits of the company have been greater than those appearing on the balance-sheets" (Editor's note: Which often showed losses), and that "the parent company will not allow this industry to shut down" At the same time, the administration of the company, isolated in being an outfit which had to survive on its own, had forgotten what would have been done even in Germany in such a situation: The workers should have been kept informed, and they should have been allowed to participate in the decisions of the company, for its own good and for their good.

The habitual propensities toward exaggeration in our country and the tendency to politicize the issue aggravated the situation at the Pitsos company and created an unbridgeable gap, which became the tomb of one of the most dynamic and well-equipped of our industries.

What this means is: That the government and our institutions do not have provisions for forestalling such incidents, which unfortunately have been multiplying recently. Neither does the government seize the opportunity [? lines garbled in text] to intervene in a conciliatory manner and to reason with the two sides, nor do institutional mechanisms exist which could step in restrainingly and defer or resolve the dispute.

And within this framework of complete indifference, the workers lose their jobs, the businesses--our productive businesses--close their doors, and the Greek economy contracts at precisely a time when one would expect it to be flourishing.

There must be something rotten in the Greek economy!

12114
CSO: 4908

MORNOS DAM TO BEGIN OPERATION

Athens TA NEA in Greek 22 Aug 79 p 9

[Text] After a number of vicissitudes, the gates of the large dam on the lake of the Mornos River will most probably open in a few days, so that the water already collected there can travel the 192 kilometers needed to reach the much-afflicted capital--the objective being to provide a conclusive solution to its water-supply problem.

At the beginning of September--according to the now daily statements of the authorities--the water of the Mornos will begin to tumble into the large canal, at an initial velocity of 3 cubic meters per second, from within the 67 kilometers of tunnels and the 5.5 kilometers of conduits. Towards the middle of October--according still to the calculations of the authorities--the flow will reach 11 cubic meters per second, at which time the project will enter into full operation.

In the large lake of the Mornos, more than 130 million cubic meters of water have already been collected. This reservoir covers an area of 25 square kilometers, and it has a maximum capacity of 780 million cubic meters of water. For its creation, an earth dam had to be constructed with a height of 123 meters, a length of 790 meters, and a total volume of 17 million cubic meters--data which support the viewpoint that the Mornos project is one of the largest technical projects in Europe.

The output capacity of the Mornos--according still to official assurances--can meet the needs of a population of 4 million residents (Editor's note: However, the capital already has a population of 3.6 million residents). But this is in a second stage, when we will be able to get 600 million cubic meters of water per year from Mornos Lake. Meanwhile, the Mornos will be able to give the capital up to 300 million cubic meters of water per year, when the needs of the capital (Editor's note: which has not yet been provided for fully in terms of an adequate water supply) have already exceeded about 235 million cubic meters of water a year.

These facts suggest that none of the other water-supply sources of the capital (Marathon, Ylikí, Kalamos springs, and so forth) will

thereby become free, as was being said earlier, to be used for other water-supply and irrigation needs (Kopais Plain). Instead, they will still be considered a "sine qua non" for this monstrous city. And going beyond this, in a short time studies and projects ought to begin for securing additional amounts of water which will augment the water from the lake on the Mornos.

It is characteristic that the vice president and general director of the Greek Water Company, G. Apostolakis, stressed just a few days ago that two solutions are appearing on the horizon for the conclusive satisfying of the capital's needs by the year 2000: The desalinization of sea water through the use of nuclear energy, or the transporting of water to the capital from other sources of water (Akheloos River, and others).

Thus, it should be considered as certain that even after the Mornos dam, the residents of the capital will continue to pay for new projects for supplying them with water. It is noted that since 1967 the capital's residents have been paying for the Mornos project through the special tax which is added to the water bills (40 percent on the bill), with the prospect of its being paid off by 1989. The total cost of the project (even though when it began it was calculated to be 3 billion drachmas) will amount to about 16 billion drachmas, according to the statements of the appropriate minister, and it will be somewhat more than this according to the assessments of the technical community.

In any case (soon all these facts will seem to have passed into the history of the project) in a few days the Mornos will begin to pour into the faucets of the capital, even though some of the more "ticklish" projects (electrical-engineering equipment, and so forth) are being left for later.

12114
CSO: 4908

LIGNITE AND WATER FOR ENERGY PRODUCTION

Athens EPIKAIRA in Greek 30 Aug 79 p 49

[Article by K. Kalandzis: "Lignite and Water Instead of Petroleum"]

[Text] Lignite and water (and, beginning in 1988, the operation of the first nuclear-powered plant) will reduce the use of oil for the production of electric energy from 37 percent to 13 percent within the next 10 years.

At this time, an autonomous enlargement of the production of electricity, within the Greek framework and with Greek raw materials, constitutes the spearhead of the effort being made by the electrical economic sector, which is managed by the DEI [Public Power Corporation].

This cooperative effort of technology and our domestic primary energy sources is already proceeding within the framework of a program which will cover the next decade. Lignite will play the leading role in the expansion of the electrical economic sector, and at the same time our "white coal"--that is, the hydrodynamic power of Greek rivers--will play a supporting role. Specifically, according to the recent revision of the DEI's energy program, the incorporation into the national grid system of 12 new lignite units with a total power of 3,600 MW and with a productive capacity in excess of 24 billion kilowatt hours a year is anticipated by the end of 1988. The units in question (each will be of 300 MW) will be some of the most powerful units built for the utilization of poor-yield fuels such as Greek lignites happen to be.

The first unit will be finished and will go into operation this coming year, and the last one will be in operation by 1988.

The Precious Water

Within the same 10-year period, the DEI will construct 11 new hydroelectric stations. Of these:

Five will make use of the remaining hydrodynamic power of the Akhelooos River (that is, beyond Kremasta and Kastrakion).

Two units on the Aliakmon River will use its remaining hydrodynamic power (beyond Polyfyton), and

Four will use for the first time the water power of unused rivers in the country.

In the period 1980-1988, 24 new hydroelectric units with a total power of 2,270 MW will be incorporated into the grid system of the DEI.

Petroleum-Nuclear Energy

In order to meet the immediate needs of the country, which for reasons of expediency are to be dealt with within the framework of the energy program, units will be used (on a limited scale) which operate with petroleum, the total power of which will be 528 MW.

Specifically, in the period 1979/1980, six gas-turbine units with a total rated power of 228 MW are expected to be put into operation, and later, during 1981, a third petroleum unit of 300 MW will be installed at the steam-generated electric power station of Lavrion.

Nevertheless, it should be noted that the contribution of these petroleum units to the production of electric power is to decrease appreciably from 1983 on. Thus, the role of the gas turbines and of the Lavrion units will be to replace, after a 4-year period, older petroleum units which are operating at other stations of the DEI system.

Furthermore, the time assigned for the operation in Greece of its first nuclear-powered unit for the production of electricity, which has been incorporated within the programming of the DEI, is set for around 1988.

Specifically, the unit in question has a power of 600 MW, and the DEI has already begun the necessary preliminary work on its installation.

Assuming there is an unimpeded execution of the DEI projects within the time limits provided for in the energy program of this corporation, it is clear that at the end of the decade 1979-1989, the production of energy by the DEI's grid system will show a new structure with respect to its composition. Specifically, a fall in production from the burning of oil is anticipated, with a corresponding increase in production from the burning of lignite and the exploiting of the rivers' hydrodynamic power. In more detail, it is expected that the production of electric power by the grid system will amount to about 42,500 million kilowatt hours in 1988. That is, it will show an increase in excess of 118 percent in comparison to the 1978 production.

Of this production of 42,500 million kilowatt hours by the DEI system, it is anticipated that:

--5,555 million kilowatt hours, namely a percentage of 13.07 percent, will come from the burning of petroleum.

--31,733 million kilowatt hours, namely a percentage of 74.67 percent, will come from the burning of lignite.

--322 million kilowatt hours, a percentage of 0.75 percent, will represent the amount of production from the use of nuclear fuels, by the nuclear unit which is scheduled to begin operation at that time, and

--4,890 million kilowatt hours, namely a percentage of 11.51 percent, will be met by the utilization of water. But it should be noted that this percentage of 11.51 percent from hydroelectric production has been predicted for an operation of the hydroelectric stations under critical hydrological conditions.

But for years of moderate water levels, water will account for a larger percentage--something which will correspondingly decrease production from petroleum.

Thus, at the end of the decade, petroleum as a factor of production will be downgraded to a percentage of about 13 percent, from the 37 percent of total production which it reached last year. Correspondingly, the production of electricity from the utilization of domestic resources will increase from 62.94 percent in 1958 to a percentage of 86.11 percent, which entails the production of about 36,600 million kilowatt hours.

And it is a characteristic fact that this production is equivalent to 9,150,000 tons of mazout, which if supplied from abroad would cost in excess of 33 billion drachmas, at current prices.

12114

CSO: 4908

ANHYDROUS ALCOHOL FROM SUGAR BEETS PLANNED

Athens I VRADYME In Greek 16 Aug 79 p 13

[Text] Up to 100,000 tons of anhydrous alcohol can be obtained from sugar beets to mix with gasoline. The cost, however, will be about 70-100 percent greater than that of the gasoline. This information is reported in the findings submitted by a special committee to Minister of Industry Miltiades Evert.

This committee was formed from scientific specialists of the Sugar Association, the National Energy Council, the State Petroleum Refineries and the ATE [Agricultural Bank of Greece], who organized and submitted the complete preliminary study, which anticipates:

Cultivating and producing 1.5 million tons of sugar beets yearly, which will be converted into sugar syrup, from the fermentation of which, with distillation, anhydrous alcohol (99.6 percent) will be produced.

Establishing two distillation units, each capable of processing 750,000 cubic meters of sugar syrup yearly. One will be installed at the Platy Factory and the second at Trikala.

These distillation units will concentrate and process, as well, the sugar beet product, molasses--as much as 84,000 tons--which will be distilled to produce anhydrous alcohol.

The operating time of the sugar refinery will thus be extended from 140 days (which is the present length of the sugar production cycle) to 200 days a year.

With the above-mentioned synthesis, a reduction is ensured in the cost of producing the alcohol, because with almost the same personnel for the factory, sugar syrup will be produced that will supply the two distillation units.

It is also foreseen that the sugar refinery can process other raw sugar materials for syrup production and distillation, as for example, apples, the surplus of wines, etc.

In addition, the preliminary study also foresees replacing mazut with lignite, which is needed to convert the beets into sugar syrup and to distill it. It is estimated that in order to produce one liter of anhydrous alcohol, half a liter of mazut must be consumed. The lignite will be transported from Ptolemais to Platy by rail, by the already installed network of the OSE [Railways Organization of Greece], which goes up to the factory entrance.

To conserve energy, it is even anticipated that the pulp produced, fresh and not dry, will be supplied to the cultivators and processed so as to be preserved until the new campaign encouraging its use as fodder for productive animals (cows, calves, pigs, sheep, etc.).

Finally, biological purification of the sugar beet distillation wastes is foreseen, so that pure waters may be piped to irrigate the fields around the area.

The final conclusion pertaining to the cultivation and production of beets for processing, as much for the production of granulated sugar as for anhydrous alcohol, is encouraging. This because the Salonica area can assure a production height much greater than that needed by the Platy factory for these two purposes, over 2.5 million tons of sugar beets yearly, 1 million tons for sugar and 1.5 million tons for alcohol.

According to the committee's calculations, the cost of the anhydrous alcohol produced will rise to 20 drachmas per liter, that is, it will be from 70 to 100 percent higher than the cost of gasoline.

Nevertheless, it is maintained that a new rise in the price of petroleum can greatly reduce the present difference between the price of creating the gasoline and the alcohol, if not eliminating it.

As for the thermal power of the alcohol, which is equivalent to 61.4 percent of the gasoline (alcohol, 6,450 calories per liter compared to 10,500 of the gasoline), this difference is actually neutralized because of the advantages of the alcohol as a fuel for automobiles, so that the two fuels will be equally advantageous.

12151

CSO: 4908

STATISTICS ON VEHICLE TRANSPORTATION REPORTED

Athens I VRADYNI in Greek 16 Aug 79 p 3

[Text] The number of privately owned vehicles in our country increased about 615 percent between 1965 and 1978. This precipitous rise had the immediate effect of reducing by about 27 percent the operations of urban public means of transport, especially in Athens, which has the overwhelming majority of private automobiles, and of keeping suburban means of transport stable. The poor quality of the services offered by the mass means of transport also contributed to this reduction.

According to estimates and statistics that cover the road transport sector in about the last 10 years, which were processed by the appropriate office of the Ministry of Communications, it appears that because of the constantly growing need for commercial transportation, the capacity of the private and public trucks in the country rose from 259,000 tons in 1970 to 741,000 tons in 1975.

The role of fatal vehicle accidents in this picture, unfortunately, continues to be a major one. The indicator remains high compared to those in Western European countries, not to mention the fact that the multiplying number of private vehicles in the country is a factor that does not help in reducing vehicle accidents.

Urban Transit in Athens and Salonica

The number of passengers transported by urban public conveyances in Athens was 950 million in 1968, while in 1978 it barely reached 650 million.

The EAS [Greek Urban Transit] participates in the annual work of the public means of transport by about 70.6 percent, the ISAP [Athens-Piraeus Electric Railways]--17.5 percent, and the ILPAP [Electric-Powered Buses of the Athens-Piraeus Area]--11.9 percent. In the last few years a slight drop was noted in the total bus services offered, while a slight increase in subway service was offered. At present the EAS has 1,895 buses available (of which 1,374 are leased), the ILPAP--214 trolleys and 8 fuel engine buses and the ISAP--135 railway cars and 102 buses, of which only 58 are used. The total number

of vehicle seats offered by the three carriers, together with the standing space, reaches about 180,000! The three carriers employ a total of 12,104 workers. Their income in 1978 was 3,972,052,000 drachmas, while the expenditures reached 5,851,865,000 drachmas.

The investment plan of the OAS [Urban Transit Organization], an organization that was established to coordinate the work of all three carriers and to complete transport studies transportation, foresees for 1979 the absorption, from all the means of transport taken together, of an amount equal to 1,824,600,000 drachmas, of which half will be financed by Public Investments.

It must be noted that Athens does not provide the foundation indispensable for the service of today's means of transport. It has therefore been decided to build a suburban, circumferential roads, to become decentralized, etc.

In Salonica, urban transport is carried out by the OASTh [Organization of Salonica City Transit], with a fleet of 375 buses, and on Rhodes, by the Public Corporation RCOA, with 36 buses.

Suburban Transit

Suburban passenger transit services, which include 1,156 buses of the local KTEL [Joint Bus Receipts Fund] and the buses of the OSE [Railways Organization of Greece], show a yearly increase, but continually declining rate of use, a phenomenon that is attributed to the increase in the number of private vehicles. For the last few years the KTEL has been carrying about 4.5 billion passengers yearly.

The operation that has increased noticeably during the last decade is that of the tourist buses. Specifically, from the 800 tourist buses in operation in 1965, in 1978 they reached 3,300, while the passengers carried in them numbered 2.15 billion in 1965 and 8.95 billion in 1978.

Taxis: They Are Abundant

Because of the unsatisfactory organizing of the mass means of transit, especially in the urban areas, but also because of the more efficient service offered by the taxis, the public is increasingly turning toward taxis. Their number in the country as a whole in the last few years is as follows:

1965: 9,108

1970: 15,300

1978: 26,000--of which about half are in circulation in Athens.

Today in the capital there are 36 taxis for every 10,000 inhabitants. The number is considered high when one compares the analogous ratios in this country with other European countries.

Private Vehicles and Trucks Are Constantly Increasing

In 1975, in the entire country, the traffic flow was 737,299 vehicles (private and public automobiles, public and private trucks, public and private buses and motorcycles). In 1978 it reached 1,170,396, of which 557,039 were in use in the capital.

The greatest and most impressive increase among the above-mentioned forms of transportation was noted in the number of private automobiles and private trucks. The private vehicles, from 226,893 in 1970, reached 746,396 in 1978. Some 57 percent of these are in circulation in Athens, with the result that there is one private vehicle to eight inhabitants, while the ratio in 1971 was 1:12. The ratio for the whole country is still 1:33, as it was in 1971.

As for the trucks, from 1965 to 1978, 241,697 trucks were added to the traffic flow, constituting an increase of 372 percent. This increase pertains mainly to private trucks, of which there were 86,434 in 1970 and 281,819 in 1978 (agricultural).

The capacity of the trucks went from 259,000 tons of useful load to 741,000 tons in the period from 1970-1978. The increase in capacity is reported mainly for the public buses, many of which were replaced by new, larger ones in this period.

Road transport of merchandise for import and export constitutes a small percentage of the total international transport of merchandise. For example, in 1976:

The total exports were 11.7 million tons: road transport was 650,000 tons.
The total imports: 19 million tons: road transport--350,000 tons.

For 1977:

Exports: 11,389,000 tons: road transport--831,732 tons.
Imports: 16,437,000 tons: road transport--529,031 tons.

International transport today is handled by about 2,000 public trucks, which belong mainly to small private businesses.

Traffic Accidents

The number of fatal traffic accidents increased by over 40 percent from 1968 to 1977. Specifically, in 1968 there were 684, in 1970--832, in 1975--890 and in 1977--1,029. The fatalities were: in 1968--740, in 1970--931, in 1975--890 and in 1977--1,029. If one considers, however, the sharp rise in the number of vehicles in this period, it proves that the ratio of deaths from private vehicles is decreasing. In 1968 we had 435 fatalities per 100,000 persons, in 1973--305, and in 1977--199 fatalities per 100,000 persons.

Nevertheless, the comparison with other Western European countries shows that this indicator continues to be high. For 1976 the ratio of fatalities and inhabitants was as follows:

Belgium--91:100,000, Germany--78, France--83, Italy--60, England--46, Austria--104, USA--42, Portugal--362, Greece--209, Spain--116, Turkey--1,393.

Road Network

Road transportation takes precedence over other kinds of transport. It has, however, developed significantly because of the mountainous nature of our country, which hinders the development of the railroads, but also because of the great dispersion of settlements, which number about 11,000. The road network in use today comes to about 37,000 kilometers (3.5 square kilometers: 1 kilometer of suburban road network). An analysis of this figure includes:

8,700 kilometers of national highway, paved, except for 500 kilometers.
28,300 kilometers of rural roads--semi-paved.
15,000 kilometers of communal roads.

In Athens the road network reaches a length of 1,200 kilometers, of which 450 kilometers are main thoroughfares.

The country's road network constitutes the evolution of roads that were made to serve local needs. This fact, combined with the topography, makes it inferior to the networks in the European countries.

Greece--the Crossroads of International Transport

Two significant events signifying the future development of communications in Greece are:

- 1) The approval, on the part of our country, of an agreement on the North-South Highway that will run from Salonika to Volos. This work is expected to facilitate the transport of our products to European markets, and an increase in our tourism.
- 2) The ferryboat connection between Greece and Syria, inaugurated in 1977.

On the line from Volos to Tartus, in 1978, 14,500 trucks were moved, while in the first four months of 1979, 16,300 trucks were moved. On the line from Salonika to Tartus, in 1978, 4,500 trucks were transported, while in the first four months of 1979, 3,500 trucks were transported.

Road Transport and the National Economy

In the total area of transport, road conveyances lead airlines and railroads. Therefore, in 1975, they contributed about 75 percent to transit proceeds, about 88 percent of the personnel employed in the sector, and absorbed 78.6 percent of the total investments in the sector during the period from 1971-1975.

LABOR LEADERS DISCUSS ITALIAN SITUATION

Rome RINASCITA in Italian 7 Sep 79 pp 3-8

[Interview of Giorgio Benvenuto, general secretary of the UIL [Italian Union of Labor], Pierre Carniti, general secretary of the CISL [Italian Confederation of Labor Unions], Luciano Lama, general secretary of the CGIL [Italian General Confederation of Labor], and Agostino Marianetti, deputy general secretary of the CGIL, by Fabrizio d'Agostini: "Debate on the Italian Crisis and Its Outlook: Changing Society: With What Forces and Policy?"; date and place not given]

[Text] The problems of the crisis, and their social and political consequences; what the labor movement can do about them.

The response to the new inflationary push and the attack on the sliding scale.

The relationship between the economic and the political crises as stated by Berlinguer in RINASCITA: how the union movement can contribute to the governability of the country.

[RINASCITA] The economic situation is very serious: all the industrialized countries are being hit by high inflation rates and are generally reacting with recessive and protectionist policies; this has particularly serious consequences for an economy like ours, which is largely dependent on foreign trade as well as on countries producing raw materials. On one hand, problems are getting worse; among them are economic and social problems like unemployment and the backwardness of the South. On the other, corporations are increasingly taking actions that fragment society and even threaten its democratic consensus. Given this situation, what can and will the union movement do?

[Benvenuto] The situation is as you say it is, and it may be much worse than we think, because we have not yet been able to evaluate completely the consequences of the energy crisis for our country. It is also much more difficult than in 1976 because we have looking over our shoulder the specter of a deteriorating policy of national unity, which the unions have substantially supported; the lack of results is now raising a credibility problem for the union and its political power. Unfortunately, the political situation is still precarious. We are at a turning point in political debate and elections. As has often happened in the past years, we are waiting for a mythical decisive moment

that will bring us past the turning point. What to do about the union movement, then? We can indulge in a lot of recriminations about what we have done for which we have had no results. In the past years, the union has contributed toward finding a solution to the economic crisis; maybe we made a mistake, but we did follow a policy, which is that of the EUR [Universal Exposition of Rome], to implement a planning policy, to give a positive answer to young people and to the South; the workers have also paid a price. We have done our share, and I am convinced that the union certainly cannot reconsider the course that it has set itself.

In the political phase that is opening up, which will be full of political ferment and debate, the union must clear away one ambiguity: we must give a proper interpretation of the EUR's policy, which is to change, strengthen and develop our country. Thus, this policy is being defined in the light of recent events, beginning with the energy crisis.

[RINASCITA] At the end of June, the whole union thought that the success of contract negotiations put the union's initiative at variance with the problems of youth and the unemployed.

[Benvenuto] In fact, this was a bone of contention with the EUR, but the contracts offer the opportunity to develop a policy favoring youth and the unemployed. I am referring to the problems of mobility and working hours. Speaking in very contemporary terms, this means that we cannot count on a policy of wage containment and modification of the sliding scale in order to create new working conditions. The union must develop a great initiative in the coming months in order to implement the first part of the contracts concerning the right to information and control of investments. It is becoming urgent to find a solution to the problem of the presence of the union in the factory and its role at the territorial level. The rights it has acquired must be extended, especially through legislation. This does not mean the integration of the union movement but a strong union able to confront the crisis.

[Carniti] I think it is widely held among the political and social powers that be that the crisis is serious, but I have the impression that they cease to agree and go their separate ways when it comes to deciding what to do. For this reason, I am convinced that the various forces do not see the crisis in the same way, and the result is differences of opinion in the debate on the economic policy that should be followed, no matter which more or less acceptable technical solutions are proposed, and questions that have been raised and must be answered.

We now face most acute problems, such as that caused by the new inflationary push, the basic problem of the energy crisis, which means that an end has come once and for all to a phase of development in Italy and the world that was based on low-cost raw materials and markets. This means that we are called to choose between a policy of stabilization and one of change. It is not a choice between two technical solutions but two political alternatives. The industrialized and capitalist countries, with a few exceptions, have gone the stabilization route in recent years. Hence the new international division of labor exacerbates commercial wars to retain world markets and impel them to restructurings that tend to save on labor and substitute capital for labor.

Given the alternative of a policy of stabilization and a policy of expansion and change, the union cannot fail to push for the latter. It is a struggle for the reconversion of industry, which requires not only adequate technical measures such as energy conservation, but also a change in lifestyle, which is possible only if supported by a culture and an alternative system of values different from the one on which the preceding system of development was based. That involves consequences at the level of economic strategy as well as at the political level. I mean that this policy is possible only with a union of forces known for new values of solidarity and equality as opposed to individualism and competition.

[RINASCITA] With respect to what you were saying, what action will the union take on prices or attacks on the sliding scale?

[Carniti] I consider the attack on the sliding scale to be a misleading provocation that diverts people away from the basic problem. It is emblematic of the point of view of the various forces' political alignment, but it does not surprise me that one of management's aspirations is to have people work more and earn less. I am convinced that there is a problem in the dynamics of the cost of labor because we cannot discount international relations, but I think the sliding scale, especially for inflation, has had a braking effect on extremist corporate contract policies and has been an element of stabilization. On the other hand, no one can seriously think that decreasing the cost of labor would solve our problems. The true question is listing the planning choices that, however, take monetary and financial compatibility into account and set real objectives: increasing employment, development of resources, with their beginning and end uses, and the various processes of accumulation.

This is a condition for the transformation of Italian society. We are not the only ones discussing these themes. The theme to be addressed is like that of the labor movement: it can and ought to intervene in the processes of accumulation and, therefore, effectively orient and control the destination and quality of investments. As is well known, the question is open in Sweden and has also been addressed by Berlinguer in his recent article in RINASCITA. It is certainly easier for Berlinguer and me to point out the problem than the solution, but there can be no doubt that it is an essential problem to put development policy on a new basis. I want to add that our proposals to transform Italian society are not credible if we cannot discuss ourselves as union members and our structures as conditions for involving workers in a struggle for transformation. It is a battle because we have to deal with habits tied to old methods of leadership and also with difficulties within the working class itself. Working for change does not mean simply striving for transformations within the framework of clearly defined groupings: the conservative forces on one side and, on the other, all the progressive forces with the working class in its own compact group. These divisions do not cut so neatly down through Italian society, and there are also contradictions within the working class. Hence there is a battle of orientation to be won among the workers, and it is possible to win it only if we put union democracy on the agenda as a condition for engaging in politics in a new and effective way in the context of a plan for change.

[Lama] I, too, think that the crisis is extremely serious and may be impossible to alleviate, because we will not be able to meet it successfully without taking basic measures that provide a real alternative to the development of the last 30 years. These are indeed the domestic and international facts that Benvenuto and Carniti spoke of concerning the increase in the price of raw materials, but there is also another factor: a cost crisis resulting from a lack of money. In the energy field we have to find real alternatives that have a foreseeable future and that can provide work for billions of people around the world. The use of coal, hydroelectric power, and oil has provided work for hundreds and hundreds of millions of people and has changed the face of the world. Now proportions are quantitatively greater than a century ago, and there is a shortage of energy relative to potential and present demand, not just a cost crisis. In this crisis, partial correctives and economic engineering will not help much; we really need alternative solutions. For this reason I am convinced the country needs a new kind of unity. I brought up this question a few years ago and was not really well received, either inside or outside the union or in my own party. There was more silence and criticism than consensus. I am convinced that we must now reconsider imaginatively, determinedly, and in good faith the problem of change as it emerged 40 years ago. At that time we did not have so much, but we did have the problems of liquidating fascism, of peace, democracy, freedom, and, farther on, liberation, liquidation of the monarchy, the republic; in sum, creating a different kind of Italy from what had been before. The forces involved in this struggle took various forms. In some cases they were organized clearly along class lines; in other cases, less so. But they were not thereby essentially exclusivistic. There was no a priori discrimination among the forces working for change. The discrimination was between those who had agreed on change and those who wanted to keep things as they were. Within this grouping, differences were acute, and debates took place every day. But these forces, which were so diverse, shared the basic values from which Italian democracy was to emerge and on which it was to live for more than 30 years, because some of these values are no longer understood as such today.

Now, what are the values on which a policy of change must be based? I think they are employment, youth, and the South. This change requires reconversion, restructuring, and even a new system of customs and opportunities that fit this objective. I doubt that we have as yet reached even a general kind of synthesis on which problems should be dealt with first. If we do not work in this direction, there will be no conservation policy, and we will only go backwards. The future cannot be business as usual to conserve what is; it must be a complete reversal, a collision with corporate power.

[Carniti] We also have to consider the international dimension, because a policy of stabilization implies a worsening of inequality between the rich, industrialized countries and the countries of the Third and Fourth Worlds, which quite rightly will not go along with it.

[Lama] No, they won't. Indeed, a policy of conservatism would require a new colonialism, with guns and armies. Hence there is the problem of new values, solidarity within and on an international scale to confront the crisis and proceed amicably, to bring together all who agree that surviving today means changing. As for immediate objectives, it is obvious that solidarity in Italy

today is achieved by the sliding scale, because it is a means of effectively supporting the lowest income levels. Pensions are an analogous subject. But we have to know whether it is necessary to institute planning that sets as its number one objective the issue of employment and brings together the forces necessary to achieve that objective. I agree with Carniti that the union movement must also open up discussion of itself and develop democracy. This is also a way of effectively combating the autonomy groups. But we must work for greater union unity; if we, especially, do not succeed in showing with our own policies what the real problems of the crisis are, we will not succeed in retaining control over the objectives we have set for ourselves.

[Marianetti] I wonder if another question should not be asked, beyond the economic reasons that have shaped the crisis: i.e. whether there may not be new difficulty in governing the economy. Essentially I wonder whether certain models of governing the economy are not at work in crises both within countries and internationally. At the international level, the effects are quite obvious: the internationalization of economic processes has not been met with the corresponding creation of institutions at the supranational level that are capable of controlling economic phenomena, e.g. the similarity of the causes of the crisis and providing instruments to meet the problems in an analogous context.

[Lama] The more macroscopic case involves monetary policy and the convertibility of the dollar.

[Marianetti] International instruments for governing the economy do not now seem able to control the crisis. But this is also true domestically. And this brings up an aspect of the question that I think has been somewhat overlooked, i.e. the social crisis, which is due to the economic crisis and raises some disturbing questions about the country's democratic posture. While there are those who underestimate the economic crisis, I say there are many more who underestimate the institutional crisis that might occur in this country. I do not think that this danger has been considered as being as serious as the one facing the country's productive structures and social situation.

There is a phenomenon that acts, paradoxially, to alleviate the social crisis on the one hand but, on the other, acts as a cause of a crisis of democracy. When people talk about the resistance of certain consumer models, they do not always consider that real income, of wage earners, for example, is not exactly what we think it is. There is a mass diffusion of integrative incomes on the basis of integrative activity, moonlighting. The underground economy produces a precarious situation, but it also produces additional income opportunities that put wage earners on a more solid footing when they would otherwise be living close to the line. The spread of this phenomenon, which helps some workers supplement their incomes, extends an area of contradiction with institutions, which somehow increases the risk of a crisis of democracy in the sense that a process of decline takes place. In short, as more people live outside union protection and the protective norms of institutions, the union and democratic institutions become more separated from one another. Thus, in the

discussion on the clear-cut alternative put forth by Carniti, i.e. the choice between stabilization and change, I think another question should be included, not only economic models but also models of democracy. The action taken by corporations has been the most obvious sign of the country's social disintegration that I can think of; but what is the cause? If the capacity for demand that the system has produced is not accompanied by new responsibility on the part of the people, what may be the consequences?

The problem is to see whether it is possible to go from a practice of delegated democracy, which leads everybody to express demands, to a practice of collective responsibility and a democracy of participation where the construction of response to collective demand is possible on the basis not of delegation but of a collective bond that unites all social and collective forces. It seems hard to me not to address this question when dealing with the clear alternative of Carniti's and implement a concrete program. We have generally criticized all the attempts at planning that have been made, not because we radically dissented from the objectives but because the means of achieving them lacked credibility. In the governing of modern economies, as complex as they are, the instrumentalities cannot be considered as being solely techniques of governing the economy and to a great extent are conceived as a way of shortening the distance between actual society and the institutions. In that sense, the debate over the model of democracy is not an abstraction with respect to the debate over the model of development but goes to the heart of the matter because it gives credibility to the possibility of formulating planning policies. Naturally, the question of merit remains, and as a union I think we cannot abandon the basic inspiration of EUR policy, a complex participation of the working class in the issues of the crisis, but we should go ahead and specify the priorities that the situation imposes on us, and I will single out three or four.

There is the debate over new ways of controlling accumulation and investment. This is the theme addressed by Berlinguer in his article in RINASCITA. The unions were talking about this question at the same time in the sense of going from experimentation or implementation of contract practices concerning production and investment choices to attempts to innovate institutionally in the structure of business and the means of participation. This issue is being addressed in the context of the EUR debate. Then there is the problem of working hours policy and the redistribution of labor opportunities. Finally, basic innovation is needed in the use of public resources for economic development and also in credit policy.

[RINASCITA] In the RINASCITA article, Berlinguer brought up the problem of the relationship between the economic and the political crises and the conditions under which the country would be governable. You have all had occasion to mention this article, and I want to ask you how the union movement can contribute to the governability of the country, primarily to be able to meet the great problems of economic and social policy?

[Benvenuto] First, I want to say something about how serious the crisis is. I insist that people are not prepared for so serious a crisis, because we know from experience that economic problems are often instrumentalized. Let us consider how and why data on Bank of Italy reserves or Italian exports are furnished. There is the risk of a traumatic impact on the crisis, something like what happened with gasoline just before the holidays. Then the union must say how things stand, without excessive optimism or dramatics. It is obvious that Carli and some conservatives intend to single out the unions as being responsible for inflation and are attacking the sliding scale in order to avoid a policy of change. There is the risk of our being called upon to act only as wage authorities in order to hinder debate on reform and planning, because we should get involved in a complete implementation in the full sense of the term, of the EUR's policy, as Marianetti was saying.

Having said this, I can address the problem of the governability of the country and the relationship between economic and political crises. What can the union do? Out of the experience of the last three years, we should act so that this governability can be achieved, because it has not been in the last three years. I think the union can, above all, get the leftist parties to think about the problem of the lack of a common program. The mistake is, if I may say so, that everybody agrees about austerity, but agreement cannot be reached solely on a program of sacrifice; agreement must also be reached on a development and transformation plan. Therefore I say it is a mistake for the two main parties of the left not to have had this program. The union had a program of its own and put it forth, with all its limitations. Now the parties of the left, and I think Berlinguer's article addresses this problem, should think about what has happened in the last three years concerning the governability crisis and how it has debilitated the country's institutions.

Today everybody hopes for national solidarity, which is all well and good, but we cannot stop at hope. The real problem of the last three years is that we had agreement without fulfillment. We now have to see how our objectives can be achieved through a coalition that is yet to be formed in this country. I am convinced that to do the things that are, for example, contained in the EUR program it will not be possible to have such a full and unanimous consensus in this country. I am convinced that the program of things to do is inseparable from political debate. This fact can be discussed unitarily or from diverse positions within the union.

I believe the problem of the country's governability, the problem of change and transformation, cannot be solved through a general agreement over a long period of time. Thus we say yes to national solidarity but not the kind we have had for the last three years. And I do not believe this problem can be solved only with government formulas. National solidarity as we have experienced it for the last three years means neither change nor transformation but, in practice, the paralysis and debilitation of the left. This, then, is why I say it is necessary to seek the largest consensus possible, but with the realization that if we want to achieve a real plan for transforming society, the union must also retain its autonomy, it must not be hampered by dangers that might arise, as they have in the last three years, from a dialectic between political forces, and in a certain sense it must create the conditions of a politics of alternation, as is happening all over Europe.

[Carniti] There is no doubt that the crisis is at once economic, social, political, and moral. It is not by chance that we have been talking about cultural models and values. The point of departure is this: in both the economic and political order, the old balances are in crisis; new ones do not seem to be within easy reach and are being formed amid many contradictions and with a lot of uncertainty. As for the union, it can only give first priority to its obligations to its constituents for the obvious reason that this is the condition for its defending its unity and autonomy. In the relationship between society and the government, unlike Benvenuto, I doubt that the union can, by its very nature, contribute to increasing the country's governability. The more effective the union's action is, the more it becomes an element of political destabilization, and the more it aligns itself with a progressive outlook and follows a policy of change as opposed to one of conservatism. This means that whatever political balance may be reached, even if it comes as close as possible to the aspirations or demands for change made by the union, the union will not be able to give its final consent to it. If that happened, it would be transformed into a means of relieving social tensions; it would turn its role inside out; it would, in effect, become a permanent source of imbalance. The union's action, more than improving the conditions of governability, furthers or contributes to furthering the conditions of political synthesis. Moreover, we do not represent all of Italian society but a part, albeit a very important one, of Italian society. With its action, the union contributes to democratic stability, not political stability. We have to ask the union to do its part. If it is true, and I believe it is, that we are faced with the choice between stabilization and change not only concerning economic implications but also models of behavior, it means a change of strategy, culture, and values in the action to be taken.

Even if we act predominantly on the membership, it is a condition that is set for the membership and for political groups. When I speak of groups, I don't mean so much specific formulas for governing, which I think have always been more or less temporary and are no more of a permanent proposition when they use the adjective historical. I think that the process of change, including political coalitions, that launches a completely new phase implies changes in the social structure and in the alignment of forces that support an alternative policy to the one that has characterized the economic phase that is obviously coming to an end.

In this view of the political alignments that must be functional in any process of transforming Italian society, I think we should distinguish not between laymen and clerics but between moderates and progressives. From this point of view I can only look anxiously upon the immediate future of Italian politics. The pretext of great choices, namely that of solidarity, is essentially working toward a five-party government and a policy that leans to the right and cuts itself off from the left. I certainly think that a system of alternation is preferable to others, but as it then becomes a matter of basing this objective concretely in Italian society and the political situation, I want to know how alternation will be achieved, among which forces and with which programs. I personally think that five-party government runs counter to any "alternation"

that would be consistent with the demand for change and transformation that we and the union movement have been making. Even though political experience does not repeat itself mechanically and I, too, have made some criticisms, I was not criticizing the political arrangements so much, for I consider them the least troublesome of all the problems that we have brought up; rather, I was criticizing how it has been done. Its limitations have been those of being transformed into a formula without having been planned. We need a plan for change.

If it is true, as has been said, that the political struggle is between conservative and progressive concepts, and transformation and change in society, we should make some essential things clear. If we pursue a policy of change capable of attacking the profound causes of imbalance that underlie misdevelopment and make the Italian crisis worse than that in other industrialized countries, we know that this policy will have to confront a sharp reaction from the interests that are hardest hit. Pursuing a policy of reform implies shifting power relationships between the classes in the direction of the forces that are fighting for this transformation in Italian society and that have a capacity for mobilization in the social struggle and in the establishment of a coherent political balance. Our objectives and action, whether they concern prices, the South, or employment, all require a thoroughly innovative economic policy with respect to the past; but they also require that we realize that economic policy alone will not suffice. I am not so much interested in this or that formula for government, and in any case I do not think that the union can, now or ever, go all out for any particular formula for government; nor can it give its final assent solely on the basis of the political balances that emerge; but I believe that it cannot fail to take political balances into consideration. Are the old political balances going into crisis just as an alternative is beginning to emerge? Is the political axis of the country moving to the right? I do not think this would be desirable, especially from the union movement's point of view.

[Lama] I want to say that I have always refused and now with even better reason I refuse to discuss a strategy of social change, which is what we call the historic compromise, in the context of a problem of possible political formulas, or a formula for government. I fear the discussion venturing onto ground that I do not think helps confront the true substance of the problem. Of course, there is also the problem of the political direction of the country, and in this respect I number myself among those who consider the present government inadequate, incapable of meeting the problems of Italian society as we all here have defined them, in all their seriousness. For the problem of government, therefore, there may be various solutions, considering the requirements for change; and I, to give an idea of how I think about it, I immediately refer to what happened in our country up to the beginning of the war of liberation. This period is the proof of the difference there can be between meeting problems politically and solving them somehow or other and, on the other hand, a grand strategy for changing society.

That is why I agree that we should discuss what we mean by renovating the country. Let us make plans, but let us also keep two things separate: there may be a basic agreement on a policy of change, and there may be differences that make agreement on a formula for governing policy impossible.

[Marianetti] The opposite might happen, too.

[Lama] Maybe so, but I am worried now that this is the principal danger, not what you say. The danger now is that we might get a big melting pot in which the notion of change is completely lost, and the problem of governability gets mixed up with that of consensus. If you exclude forces that somehow represent the people, you're mistaken if you think you have governability. From this point of view, the union is all the stronger as it becomes a factor for destabilization in a static situation.

[Benvenuto] It is a factor for more democracy and therefore for more governability.

[Carniti] The fundamental elements of democracy and governability are not two equal things. I highly prize the dialectic function of the union in political alignments because this is a basic fact of democratic society. The governability of the country is being sought in preserving the function of power and order beginning with the solutions to the greatest social problems: employment and the South.

[Benvenuto] In this sense, even the parties are a factor in destabilization because we live in a pluralistic society. The union, with its autonomy, should act in such a way as to govern itself as well as it can.

[Lama] The union becomes an obvious factor in destabilization whenever it has a strategy for change and it comes up against a conservative political trend.

[Carniti] But in the opposite case? When I talk about destabilization, I am starting with the idea that we do not represent all of Italian society and that the political situation is not the exact copy of what we hope but results somehow from a compromise; thus, our destabilization prolongs the conditions of the present political situation.

[Lama] I agree on this point and think we can ask this question: with what forces will change be achieved? The left, and I include the union in this left as a progressive force, has a fundamental inspirational, constructive function, but we must know whether this force is sufficient to achieve the necessary change. And then there is the question, which is better answered if asked directly, is the Christian Democratic Party a force that wishes to participate in this policy of change? I must answer that as of today I do not think so. I will also say, however, that there have been times when things were different. Not that the DC [Christian Democratic Party] has ever been a factor for progress, but it has been a force that has gone along with the progressive forces of the left to implement a plan for change. I think that socially and politically the basic forces that should be

formulating and participating in this action for change are the forces of the left, including the union movement with its autonomy and relative tendency to destabilization, its social task and progressive action. To achieve change, it is not enough, as we have seen in recent years, to have a parliamentary democracy make formal decisions. A force like that of the unions, with their capacity for organized campaigns, can support a policy of change. But it must above all change the relationship of forces now present in the country, and to change it, it will be necessary to form alliances as broadly as possible even with forces that have a different inspiration than those of the left, that have different roots in Italian society but cannot be defined a priori as being conservative.

I fear there are conflicts enough in this kind of outlook. Conflicts will be there as they always have been, because we would otherwise have to impose authoritarianism, i.e. liquidate substantial elements of democracy.

[Marianetti] I think we have established well enough that installing a government does not insure the governability of the country. A government can be present and can somehow assure that institutions function properly, but that does not necessarily mean that it is providing rational governability for the complex workings of Italian society, with its balances and conflicts. If we are to meet the question of governability as union members without regard to institutions and favor some governing formula or other, we have to consider the matter as being a process that enables groups to form in our society around the objectives of change that we have been discussing.

In this context, confronting the issue of governability involves three essential elements: first, the existence of a plan for transformation. From this standpoint, Benvenuto is right about this country's lacking forces that consider a unified plan possible. Unlike other countries, we have never had a plan drawn up by groups that intended radically to change the balance of power and the basis of the society in which they were working. Now we do have these forces, in the sense that they have been getting together on this common ground and they have been taking on this role, but they have not yet succeeded in uniting fundamental parts of Italian society around a proposal for change. Thus, the matter of governability is being considered at this level of planning. The second element of the problem is the issue of a new relationship between institutions and the people. This means that plans need to be developed and implemented through new proposals and formulas for participation. Third, there are problems of parliamentary strategies and the various alliances in the management of institutions. It will be the problem of governments to achieve governability or, if you will, the problem of the majorities that take up this new task to give the country a new governability.

It is now clear that as union members we must not have a plan for changing the basis of Italian society, since by its nature the union is another expression of general interests and values; rather, it should contribute our point of view with a somehow unilateral vision in defining a plan. I think the union should somehow take it upon itself to meet the second issue I raised, i.e. how to construct one of the basic channels of democracy, the new system of participation and controls. The question that we have most discussed is whether the union should somehow say something about the third point, too.

I say discuss it, but not on the basis of principles, for we obviously have divergent and conflicting opinions about the legitimacy of discussing the matter.

This is naturally more difficult ground for us to operate on because we expose ourselves more to the sensitivities of others in the sense that the conversation turns to forms, strategies, the nodes and bases of governing, and once again comes up against diffuse susceptibilities and sensitivities. Not that these should become taboo subjects of conversation: if anything, this consideration should lead us to discuss responsibility in the knowledge that we have a superior good to defend in any case: unity. As for me, I think we should measure a government by its programs. However, we know that the problem for this country is not only the government that might be formed tomorrow but the problem of governability, of how the system functions, and whether we can intervene or not. Each of us has a solution in mind, but I ask, is there not another way, one that is not subjective, that would have us emphasize common elements and values? Is it possible for a union member to think that the best way for the system to implement change is to make a general alliance and, thereby, reach a consensus among all the great forces of this country? This may be a legitimate political decision and not a choice of principles.

[Carniti] The problem is not that objective. I do not think that is precisely the point. Rather, in the context of the concrete reality of Italian politics, the problem is whether it would make any difference to the prospects for change, toward which we have been working, to make a political alignment that included or excluded the Italian Communist Party.

[Marianetti] That is a curious inversion of the parties' roles, because I am a supporter of an alternative of the left in which the PCI is a fundamental force in implementing the plan for change.

[Carniti] But then you have to explain to me if it's possible. I'm talking about the concrete political situation, and you can't say that the opinion on the political situation is an objective fact.

[Marianetti] For me, it is a question of principle: either the union is disinterested in political formulas, and we can't go that route, or else it makes choices based on a formula and divides us; or else it can make choices on a question of principle, imagining what the optimum system would be for the political context. My answer is that the system is that of alternances. According to Berlinguer, this is not possible, and I disagree. You, too, say that because a proportional system gives rise to this situation there can be no talk of alternance. All right, you have to choose: either give up the hypothesis or reform the political system.

[Carniti] That's the story of Italy and the history of the last 30 years.

[Marianetti] History is there to show the errors of the left, the left's basic unreadiness for alternative governments and also the DC's unwillingness

to extend equal legitimacy to all democratic forces. One of the conditions for alternances' being possible is the total legitimization of the potential participation in government of all political forces. The DC must not think that our country is democratic only because the DC governs alone or with others. Now, if we bring up this problem as union members, we break the rule of autonomy. Precisely because we legitimize everyone, this country should have the possibility of renovating itself on the basis of possible alternances. And you deny this in theory?

[Carniti] I think, in fact, that however desirable alternance might be, it cannot be implemented under present political conditions.

[Marianetti] Fine, then let's see what we have to do to make it possible. I only want to add that, as you say, everybody wants alternance but is actually doing something different; you are also the only one who thinks that Craxi's inclusion in the five-party alliance would have presented a serious danger of a shift to the right. So I think you are against a government that includes liberals and excludes communists, and you think you can blithely come out for a government that includes communists and excludes liberals.

[Carniti] I don't know if I have explained myself badly. I have always insisted that the union not be involved in specific problems of governing formulas. In this phase I am interested in what the ideal orientation and program are that would stabilize the political forces that give life to a government, and in this context I have found the five-party government to be undesirable because it constitutes a move to the right.

[Marianetti] In that case, I did not misunderstand you.

[Carniti] The objective fact remains: considering the future of transformation and renewal that we seek for the country, governability will not be achieved in the terms that you were using by excluding collaboration between the major popular political forces. While I consider alternance to be desirable and worthwhile in an abstract democratic political system, I think the actual workings of the Italian institutional and political system, even leaving parliamentary forces out of account, excludes this possibility, at least in this phase.

[Lama] That is also our point.

[Carniti] When no alternation and therefore no alternance is possible among political forces, not only because Berlinguer is not there but also because I think nobody is in a position to make concrete proposals because the numbers and other conditions are lacking, it is fatal to seek alternation among the political forces. We must know whether alternation will go in the direction of the tasks, objectives, and programs we are proposing. Or maybe not.

I may be wrong, but I think the five-party arrangement is a step in the opposite direction. In our actual, present situation, I do not think any solution is acceptable that is based on excluding the communists.

PHOTO CAPTIONS

Benvenuto: We must seek the widest possible consensus, but we must realize that if we want to devise a real plan for transforming society, the union must also have its autonomy and in a certain sense create the conditions in which the conditions of a policy of alliances can be implemented, as is happening all over Europe.

Carniti: Political groupings must also be functional in transforming Italian society. I think the distinction should be made not between laymen and clerics but between moderates and progressives. A policy of reform implies a displacement of power relationships to the advantage of the social forces working toward this transformation.

Lana: The left has an inspirational, constructive function, but we must know whether this force is sufficient to achieve the necessary change. To modify power relationships, we will have to collaborate with other forces that have an inspiration different from that of the left but cannot be defined a priori as being solely conservative.

Marianetti: Unlike other countries, we have not had a plan devised among political forces to change the balance and basis of society. We do have these forces, but they have not succeeded by themselves in bringing together fundamental parts of society in a plan for change. It is at this level that the problem of governability must be met.

8782

CSO: 3104

PCP CONFERENCE DISCUSSES ELECTION PLANS

Lisbon Domestic Service in Portuguese 0001 GMT 15 Oct 79 LD

[Excerpts] The Communist Party [PCP] has held a national conference in Amadora to discuss and approve the major guidelines of party strategy for the coming December elections. The conference was attended by 1,000 delegates and 2,500 guests.

The two items on the agenda--parliamentary and local elections--gave rise to two proclamations of principle. Here, in the voice of Rui Pedro, is an extract of the proclamation on the legislative elections.

The elections to the assembly of the republic are approaching. Great tasks confront the Portuguese people. These tasks are to defeat the reaction by keeping it in the minority, to place the democratic parties in the majority, and to achieve a substantial increase in the number of parliamentary seats held by the PCP.

The disastrous consequences of 3 years of a policy of capitalist recovery have given greater substance to a great national aspiration, to bring to an end a policy of violence, hatred and destruction, to impose a democratic about-face in national politics.

The Portuguese want to build a better life. They want to live in freedom, peace, security. They want to defend the gains of April. They want to see the national resources, energy and riches placed at the service of the progress of Portugal. They want to play an active role, with their views, labor and creative effort, in resolving national problems. They want to be freed from the scourges of backwardness, disease, injustice and ignorance. They want to see the country governed with competence, honesty, dynamism and fidelity to the liberating ideals of 25 April. They want to be free to decide on the present and future of their motherland.

Any vote in the alliance of the PPD [initials of the former Popular Democratic Party, now called the Social Democratic Party, but still referred to as the PPD by the PCP] and the CDS [Social Democratic Center Party] would be a vote against such deep-felt aspirations and legitimate hopes, to vote for the United People Alliance [APU] is to vote for the realization of the loftiest aspirations of the Portuguese people.

[Announcer] For the local elections the goal of the PCP, and therefore of APU, is to win representation in new local councils, municipal assemblies and parish assemblies and secure more seats in those local government bodies where it is already represented. Antonio Borba elaborates:

The APU's base of social and political support for the coming local elections stands for a much broader unity than that represented by the coalition between the PCP and the MDP-CDE [Portuguese Democratic Movement] that serves as its legal foundation.

In the last elections of December 1976, 70 percent of the FEPU [United People Electoral Front] candidates to the parish assemblies were neither militants of the PCP nor of the MDP-CDE. It can already be said as certain that this broad participation in the APU lists of candidates with or without party affiliation, but neither members of the PCP nor of the MDP-CDE, will be maintained and even increased in the coming local elections.

In 1976 FEPU contested the local elections in 288 local councils and municipal assemblies. This year APU will be contesting them in all 305 councils and municipal assemblies of the mainland and autonomous regions. In 1976 FEPU fielded candidates for 1,129 parish assemblies. This year APU will fight for over twice that number of parishes. The number of votes for APU, and therefore the number of its representatives in local government, will be substantially increased.

CSO: 3101

PORTUGAL

AMARAL SAYS DEMOCRATIC ALLIANCE IN POSITION TO GOVERN

Lisbon Domestic Service in Portuguese 0000 GMT 25 Oct 79 LD

[Text] The Democratic Alliance is a solid and cohesive reality and can win the elections to save Portugal, CDS chairman Freitas do Amaral told a rally in Braganca yesterday. The rally was attended by other prominent leaders of the CDS and of the Spanish UCD.

Referring to statements in which Mario Soares had alluded to the possibility of an understanding with members of the Democratic Alliance, Freitas do Amaral stressed that, in the terms of the Alliance's constituent agreement none of its component parties can, on its own, form alliances with any other one, the Socialist Party included.

I wish to tell you that for the first time we have the possibility of democratically bringing about a major change in our country. For the first time we have a coalition of democratic parties that have come forward together to govern the country if the people give them their vote of confidence at the polls.

We are dissatisfied at the way in which the country is being governed and want to see it governed with greater competence and honesty, along the line that we think right, a line in keeping with the feelings and way of thinking of the great majority of the Portuguese people--a European, humanistic, peaceful and Christian people who logically wish to see their character and feelings reflected in the attitude of the government of their country.

CSO: 3101

COMMENTARY WARNS OF SOCIAL TENSIONS ARISING

Lisbon O DIA in Portuguese 22 Sep 79 p 5 supplement

[Article by Joao Pereira Neto: "Social Tensions in Portuguese Society--Unemployed and Inspectors on Job Market"]

[Text] Many enterprise failures; failure to create jobs due to adverse atmosphere created in private sector and low capacity revealed by public sector in this area; influx of hundreds of thousands of displaced persons from Angola and Mozambique; the crisis in the industrial countries which caused the latter to close their doors to Portuguese emigration; and the general lack of confidence toward young people due to legislation passed with the intention of protecting them as well as toward the attitudes assumed by some of them during the early period of the revolution--all of these factors mean that the unemployment problem is perhaps the biggest drama in contemporary Portuguese society.

Only the person who walks through these provincial councils, including Madeira and the Azores, working on development projects, will realize the dramatic situation of hundreds of thousands of youths of both sexes, most of them coming from rather modest family backgrounds, with complete or incomplete high school education, who do not manage to find any jobs although they are ready to do anything (we have seen them working as street sweepers, stone mason's helpers, day laborers, etc.). You realize the change that has taken place on this country's labor market only if you sit in on job interviews for unskilled individuals and if you look at the deformed and calloused hands of youngsters with a seventh-year high school degree or similar diplomas.

The situation is perhaps even worse for those who, having lost their jobs or having no technical training whatsoever (including those who only went up to the fourth year or a few years of high school) now have no chance at all of getting a steady job in a good enterprise, no matter how lowly the job, which they apply for, may be.

In addition to discouragement and frustration, you detect in these youngsters a feeling of revolt and latent tension against rules which--although

they are unconstitutional and although they are denounced by the ombudsman--still continue in force in this country and which reserve jobs, in some sectors and companies, to the children of those who already work there. We also detect lack of understanding for the fact that, although there is such a tremendous job shortage, there are nationalized enterprises where most of the earnings of the employees come from overtime work.

The same kind of tension can also be observed abroad, particularly in France, when one interviews the children of emigrants who have good technical skills and who, feeling discriminated against in the country in which they live, knowing that workers in Portugal are already getting good wages, fail to understand the existence of caste privileges, such as those mentioned earlier, which in practice prevent them from returning to the country which their parents had to leave in most cases because they had no reading or writing skills or because they did not have good enough connections to get a permanent job in an industrial enterprise.

We must likewise not forget the rural workers who, seeing that their arms are unnecessary in view of technical progress in agriculture, feel defeated from the very beginning because they know that they have no chance whatsoever of competing with the unemployed in the previously mentioned groups due to lack of skills and the ability to survive in an industrial environment.

We must quickly respond to this kind of tension because if the community as a whole does not make sacrifices for the unemployed, we run the risk of witnessing the rise of agitation which, in most cases, will have a content quite different from what it was in recent years.

S058

CSO: 3101

PORTUGAL

BALANCE OF PAYMENTS SHOWS 'SPECTACULAR IMPROVEMENT'

Lisbon Domestic Service in Portuguese 0001 GMT 11 Oct 79 LD

[Text] An analysis of internal economic trends shows a spectacular improvement in the balance of payments and relative slackness in the gross national product. Data supplied by the Planning and Statistics Office report very high increases in emigrants' remittances, a boost in exports and a nearly stagnant situation as regards imports. Translated into figures, this situation enabled the \$559 million deficit of 1978 to develop into a surplus of \$140 million in the first half of this year.

With regard to time and savings deposits, their annual growth rate is in the order of 41 percent. Still according to the Planning and Statistics Office, sales of cement recorded a slight increase in the second half of 1979, when the consumption of steel also showed signs of recovery. Industrial output has also shown signs of improvement, which may have led to a slight fall in unemployment. In this sector, the National Statistics Institute estimates 341,000 unemployed in mainland Portugal in the first half of this year. Women remain the most affected by unemployment, with a 12 percent increase compared with the same period in 1978, whereas male unemployment fell by about 5.5 percent.

CSO: 3101

DEFICIT WITH EEC REPORTED, SLIGHT IMPROVEMENT OVER LAST YEAR

Lisbon 0 DIA in Portuguese 22 Sep 79 p 6 supplement

[Text] According to a study released by the Portuguese-German Chamber of Commerce and Industry, signed by Dr Fritz Hazer, the Portuguese balance of trade deficit with the Common Market during the first quarter of this year, and compared to the same period of time last year, showed a slight drop amounting to 0.72 percent.

In actual figures, this reduction means that, while the deficit in 1978 came to 8.86 billion escudos (for the first quarter), that deficit dropped to 8.22 billions in 1979.

This situation is the result of an increase in Portuguese exports to the EEC whereas, on the other hand, it was also found that there was an increase in imports, although to a lesser degree than in exports.

Portugal's exports as a matter of fact, during the period of time analyzed, show a percentage increase of 66.1 percent, whereas imports only went up 35.6 percent.

According to this same source, the percentage share of Portuguese imports from the Common Market, compared to the total volume of Portuguese imports, during the period analyzed and when compared to 1978, dropped from 42.47 percent to 41.68 percent, whereas the percentage share of Portuguese exports going to the Common Market, compared to the total value of Portuguese exports, dropped during the same period of time from 58.31 percent to 56.31 percent (see table).

During First Quarter of 1979, Common Market Contributed 16.6 Percent of Portuguese Balance of Trade Deficit

Continuing to quote from the analysis prepared by the Portuguese-German Chamber of Commerce and Industry, we find, in a more detailed study, that there is a continuing tendency toward a change in the structure of Portuguese foreign trade with the Common Market.

In January-March 1973, 45.9 percent of Portuguese imports came from the EEC, whereas in the same period during the current year only 41.7 percent came from that area.

On the other hand, the share of the EEC in Portuguese exports rose from 44 percent in 1973 (still looking at first-quarter figures) to 56.6 percent in 1979. The current year thus reveals a smaller share, as we stressed earlier, since the EEC share in 1978 came to 58.3 percent.

Thus the share of the Portuguese balance of trade deficit coming from trade with the Common Market, between January and March 1979, comes to 16.6 percent of the total foreign trade volume, as against 26.3 percent during the same period of time in 1978.

Balance of Trade Deficit With Rest of World Went Up 13.8 Percent

While the Portuguese balance of trade deficit during the first quarter of 1979, in dealing with the EEC, was slightly reduced, this did not happen with regard to the rest of the world because here we have a deterioration of this deficit to the extent of 13.8 percent, in other words, the deficit rose from 28.8 billion escudos to 32.8 billion escudos.

The main causes for the increase in the Portuguese balance of trade deficit during the first quarter of 1979 (this deficit went up 1,653 percent from 1973 until 1979), according to the CCILA [Portuguese-German Chamber of Commerce and Industry], can be found in trade with the United States of America (deriving from the increase in cereal shipments to Portugal), with Iraq and Saudi Arabia (deriving from the rise in oil prices), and with Spain (due to increases in the value of imports).

Jan/Março ANO 1	Importação portuguesa 2 da CEE	Exportação portuguesa 3 para a CEE	
	4 milhões de escudos	4 milhões de escudos	5 fr.a.a.
1974	6.951	-	-
1975	9.912	• 42,6	6.066 • 25,5
1976	10.546	• 6,4	6.301 • 3,9
1977	16.827	• 59,6	8.618 • 36,8
1978	21.300	• 26,6	12.444 • 44,6
1979	28.806	• 35,6	20.667 • 66,1

5	SALDO DA BALANCA COMERCIAL DE PORTUGAL		6	7
			activo	passivo
TOTAL DA CEE 8	-4.265	-8.209	-8.856	-8.219
RF da Alemanha 9	-1.664	-2.851	-3.721	-4.011
Reino Unido 10	• 139	-1.372	• 781	• 77
Francia 11	-1.267	-1.778	-1.959	-1.921
Italia 12	• 713	-1.207	-1.145	-1.613
Países Baixos 13	• 532	• 804	• 732	• 653
Belgica-Luxemburgo 14	• 221	• 447	• 802	• 700
Dinamarca 15	• 199	• 231	• 260	• 427
Irlanda 16	• 52	• 19	• 25	• 175

17	18 JANEIRO / MARÇO				19
Comércio Exterior PORTUGUES	Défice da balança comercial de Portugal				
	1977	1978	1979	1979/78	
	4 em milhões de Escudos				•/- %
USA 20	1.217	4.805	7.238	• 50,6	
Irão 21	1.784	2.265	4.896	• 116,2	
Arábia Saudita 22	687	2.180	2.494	• 14,4	
Japão 23	1.656	2.094	2.933	• 40,0	
países 24	5.344	11.344	17.561	• 56,8	

Key: 1—January-March, year; 2—Portuguese imports from EEC; 3—Portuguese exports to EEC; 4—millions of escudos; 5—Portugal's balance of trade; 6—assets; 7—liabilities; 8—EEC total; 9—West Germany; 10—United Kingdom; 11—France; 12—Italy; 13—Holland; 14—Belgium-Luxembourg; 15—Denmark; 16—Ireland; 17—Portuguese foreign trade with; 18—January-March; 19—Portuguese balance of trade deficit; 20—United States of America; 21—Iraq; 22—Saudi Arabia; 23—Spain; 24—four countries; fr.a.a.—free per year.

SPANISH-SOVIET CULTURAL SCIENTIFIC AGREEMENT PUBLISHED

Madrid BOLETIN OFICIAL DEL ESTADO in Spanish 22 Sep 79 pp 22142, 22143

[Text] Cultural and Scientific Cooperation Agreement between the Kingdom of Spain and the Union of Soviet Socialist Republics, Moscow, 19 January, 1979.

The government of the Kingdom of Spain and the government of the Union of Soviet Socialist Republics:

Desiring to develop and consolidate relations between the peoples of the two countries pursuant to the Charter of the United Nations and in accordance with the principles, provisions and objectives included in the final document of the conference on security and cooperation in Europe;

Attaching major importance to the development of cultural, scientific and educational ties for the consolidation of mutual understanding and friendship between the Spanish and Soviet peoples;

Feeling that closer and stable relations in these spheres will contribute to the cause of international peace and security,

Have decided to conclude the present agreement;

Article I

The contracting parties shall foster the development of cooperation and exchange in the fields of culture, science, education, the arts, cinema, television, radio and sports, as well as in other fields.

Article II

The contracting parties shall facilitate the exchange of scientific delegations, of scientists and specialists in the various branches of science in order to deliver lectures on stipulated topics, in order to familiarize themselves with the activities of scientific centers and in order to do research work.

They shall also foster the signing of scientific cooperation agreements between the appropriate organizations of both countries.

Article III

In order to provide for a mutual familiarity with gains in the field of medical science and their practical application, the contracting parties shall encourage the establishment of contacts between their respective organizations and the development of cooperation between them in this field. The two parties shall contribute to the formulation of potential programs for cooperation and for the exchange of delegations and specialists.

Article IV

The contracting parties shall foster and facilitate the participation of their representatives or their delegations as well as well-known figures in the fields of culture, science, and the arts in cultural, scientific or artistic congresses, festivals, symposiums, expositions, and competitions organized in the territory of the other party.

Article V

The contracting parties shall foster cooperation in the field of education at its various levels and in the field of professional and technical training.

To this end, the contracting parties shall facilitate the exchange of specialists in the field of education, scientists, professors and post graduate students, in order to gain a mutual familiarity with their respective educational systems, to deliver lectures and to do scientific research and experiments. They shall also facilitate the exchange of students.

Article VI

Considering that a knowledge of the Spanish and Russian languages is an important tool for communication and for familiarity with the cultural patrimony and values of their countries, the contracting parties shall encourage the study of a Spanish language and literature in the U.S.S.R. and of the Russian language and of Russian and Soviet literature in Spain.

Article VII

The contracting parties feel that mutual recognition of teaching diplomas and of academic degrees and titles is of major importance for cooperation in the field of education and scientific research and shall therefore help the appropriate organizations of the two countries to negotiate on this issue in order to establish a corresponding agreement.

Article VIII

The contracting parties shall cooperate to see to it that the content of the school text books dealing with the history, geography, literature and culture of the other country contribute to a better understanding between the two peoples.

Article IX

In order to attain the greatest mutual familiarity with each other's culture, the two parties shall facilitate the development of contacts and exchanges in the field of the dramatic and musical arts. To this end the parties shall encourage theatrical, musical and choreographic exchanges, and of orchestras and other groups of artists, as well as soloists.

Article X

Recognizing mutual interest in the exchanging of art expositions, the contracting parties shall foster cooperation between the appropriate organizations of the two countries.

Article XI

The contracting parties shall foster the exchange of delegations between institutions and organizations connected with literature, music, the fine arts, libraries, museums, and artistic heritage in general, in order to study the possibilities of cooperation in these fields.

To this end, the contracting parties shall also foster the exchange of well-known figures in the world of culture and specialists in the arts.

Article XII

The contracting parties shall contribute to the establishment and development of relations between the archives of the two countries through an exchange of catalogs, repertories, copies of documents and specialists in the field, pursuant to the laws of each country.

Article XIII

The contracting parties shall foster cooperation between the institutions and organizations in the two countries that protect copyrights.

Article XIV

In order to exchange specialists in the field of publishing and to examine matters related to the translation of works by Spanish authors in the USSR and of Soviet authors in Spain, the two parties shall facilitate the establishment of contacts between the National Institute of Spanish Books and Soviet publishing organizations.

Article XV

The contracting parties shall foster the exchange of cultural, scientific and technical books among the libraries of the two countries.

The two parties shall also facilitate the exchange of expositions of art and technical books.

Article XVI

The contracting parties shall encourage cooperation in the field of cinematography and in particular, the reciprocal organization of Spanish cinema weeks in the USSR and of Soviet cinema weeks in Spain. They shall also promote participation in official international festivals, as well as cooperation among the respective organizations and producers of the two countries.

To these ends, the two parties shall help to undertake negotiations in order to reach specific agreements in the field of cinematographic cooperation.

Article XVII

Recognizing the great importance of television and radio for closer cultural ties between the Spanish and Soviet peoples, the parties shall promote cooperation in the fields of television and radio by establishing contacts between the appropriate organizations in Spain and in the USSR, as well as the exchange of television and radio programs and musical recordings. The appropriate organizations of the two parties shall determine the specific conditions for these exchanges.

Article XVIII

Within the framework of the present agreement, the parties shall foster cooperation and exchanges between non-governmental organizations whose objective is mutual familiarity with the cultures of the two countries.

Article XIX

The contracting parties shall contribute to cooperation and exchanges in the fields of sports and physical culture, as well as between the youth organizations of the two countries.

Article XX

The present agreement does not exclude other forms of cooperation and exchanges that are in keeping with its goals and that might be agreed upon between the parties.

Article XXI

In all aspects related to the implementation of the present agreement the contracting parties shall set up a joint commission to formulate exchange and cooperation programs and to determine their conditions, among them economic conditions.

The joint commission shall meet alternately every 2 years in Spain and the USSR on the dates to be determined by diplomatic channels.

Article XXII

The present agreement shall take effect on the date on which the contracting parties inform each other that it has been approved pursuant to their respective domestic laws.

The present agreement shall have an initial life of 5 years from the date that it takes effect and shall be automatically renewed for periods of 5 years, unless one of the parties informs the other in writing 6 months before the date of its expiration that it shall terminate it.

Concluded on 19 January 1979 in Moscow in two copies, each one of them in Spanish and Russian, each one of them being equally valid.

For the government of the Kingdom of Spain: Marcelino Oreja Aguirre, Minister of Foreign Affairs.

For the government of Union of Soviet Socialist Republics: Andrey Gromyko, Minister of Foreign Affairs.

The present agreement took effect on 2 August 1979, the date when the parties exchanged verbal notes and when the agreement was reported approved pursuant to their respective laws and in accordance with Article XXII of the agreement.

To be made public for general knowledge.

Madrid, 7 September 79. Technical Secretary General, Juan Antonio Perez Urruti-Maura.

8743

CSO:3110

MAJOR PARTIES HOLD NO COALITION DISCUSSIONS

Zurich NEUE ZUERCHER ZEITUNG in German 7 Sep 79 p 21

[Text] The discussion among party and fraction leaders of the four "big ones," the SPS, CVP, FDP, and SVP, that was originally scheduled for Wednesday afternoon, did not take place. The lack of pressing business just before federal elections is named as the reason for the cancellation of the traditional quarterly discussions. Corresponding with this the Bundesrat is for the present not accepting the invitation to the so-called "Von-Wattenwyl discussions" with the leading representatives of the Bundesrat parties.

The fraction and party presidents of the Social Democrat Party (SPS), the Christian Democrat National Party (CVP), the Freising-Democrat Party (FDP), and the Swiss National Party (SVP) usually meet before each session for their "coalition discussions," where important agenda points are discussed. This time it was agreed to do without it. Especially the FDP and the SVP were of the opinion apparently that there were no pressing problems at this time that had to (or could) be dealt with such a short time before elections.

According to reports the SP and the SVP would have liked to have held at least the "Von-Wattenwyl discussions." The Bundesrat itself, however, informed the fraction and party presidents by letter that a meeting--which was supposed to take place Thursday--was not pressing at this time due to the lack of topics. The government meanwhile is available for a later date--for example, during the September session--if a discussion should be desirable after all.

9232

CSO: 3103

POCH PRESENTS LIBERAL PLATFORM

Zurich NEUE ZUERCHER ZEITUNG in German 7 Sep 79 p 28

[Text] Representatives of the Progressive Organizations of Zurich presented their platform for the upcoming elections for the National Council and the Council of Cantons at a press conference. To achieve the election goal of POCH, at least two national senate mandates, the party must win one mandate in the Zurich canton. It is hoping that the election agreement made with the Party of Labor will have an effect in its favor and that a seat will be won in the cantons of Zurich and Basel.

The main candidate of POCH is Andreas Herczog, who lost his canton senate mandate in this spring's elections. Herczog presented a political summation of the last years, a colorful quilt encompassing bank scandals, Seveso, tax fraud, nuclear plants, and CVP scandals, under the heading "crisis." According to him, Switzerland needs POCH now, which will campaign with the slogan "life instead of profit" and calls itself a "national force."

The representatives of POCH also touched on the topic of SP President Hubacher's direct attacks. They said that the Social Democrat platform was similar to that of POCH; the politics of concordance force the SP to swerve from these goals. "Comrade" Hubacher was asked to give his reasons publicly for his attacks. Emilie Lieberherr's refusal of POCH election help was called a cheap propaganda trick. They said that Mrs Lieberherr knew very well that she needed the mobilization of all leftist forces for her reelection, and that, in fact, she was making efforts, although not publicly, to gain this electorate for herself.

The POCH election budget was named at 50,000 francs. It will begin at the end of September with a big street action. Further, it was stated, POCH had challenged the exponents of liberalism by letter--national councillor Rudolf Friedrich and Ernst Cincera were expressly named--to a public debate. They seem to have the same thing in mind with SP president Hubacher.

The small and smallest leftist parties like to look for contact with the big parties during election times for propaganda purposes. The big contradictory events of this spring's elections showed how important this form

of publicity is to them, but also how well they know how to take such events ad absurdum. Since POCH does not have its own candidates for the Council of Cantons, they attempt to profit from the big parties in a new way, by challenging their prominent and effective representatives to public debates: all too obvious a trick in preelection times to get large audiences. The two liberal National Council candidates can turn to discussions with more important adversaries with a good conscience, since they in particular can not be accused of ever having side-stepped ideological discussions.

9232

CSO: 3103

FDP, CVP, SPS, SVP 1979 ELECTION PLATFORMS DETAILED

Party Conferences, Programs

Zurich NEUE ZUERCHER ZEITUNG in German 29 Sep 79 p 27

[Article by "gfh": "The Four Platform Party Congresses"]

[Text] Several months ago already, the parties got ready their arsenal for equipping the current election campaign for National Council and Council of States seats with slogans for placards, with pamphlets and with candidates' speeches--namely, their election and action programs passed by the delegates to party congresses, which in turn form the basis of their longer-term party platforms. Below we are presenting briefly once more the election programs of the four Federal Council parties--the Radical Democratic Party (FDP), the Christian Democratic People's Party (CVP), the Swiss People's Party (SVP) and the Social Democratic Party (SPS). Since, as a rule, only a fraction of voters personally get to see these programs, we are presenting some program statements on selected topics in their "original text." [See "Inserts"] The program statements of other parties participating in the 21 October elections will be presented at a later date.

The Four Party Congresses

The Swiss People's Party (SVP) passed its "1979 Action Program" as early as November 1978. With its party congress in Zurich at that time, the SVP concluded a "complete revision" of its entire platform which it had begun in the wake of its election defeat in 1975, when its share of the vote dropped below 10 percent. A working group under the current chairman of the party, National Councilor Fritz Hofmann, had prescribed for the SVP a change from an artisans and farmers party to a people's party. This strategy, said the SVP secretary general, was intended to try to obtain 11 percent of the vote in the fall of 1979.

Not a visionary breaking of new ground but, on the contrary, an emphasis of continuity and national political realism typified the mood for the FDP Congress in Solothurn on 20-21 April which passed the detailed political "1979-1983 Objectives." An actualization of liberal ideas according to the leitmotiv "More Freedom and Individual Responsibility and Less Government," as may be gleaned from the "Objectives," prevailed at the party congress over excessively antistate and "progressivist" swings of the pendulum embarked on unsuccessfully by interior Swiss Radicals on the one hand and by the Young Radicals on the other. A positive balance of the "1975 Objectives," the taking over of the 1975 "Liberalism Today" determination of basic positions and an 11-point key program completed the picture of an FDP well equipped for the coming election campaign.

With words of self-criticism CVP Chairman Hans Wyrer opened the platform party congress of the Christian Democrats in Lausanne running from 4 to 5 May. The "chronicle of scandals" of this party had raised the question within and outside the CVP as to whether program and reality did not at times show too great a disparity. Anyway, as shown by the then passed "Sociopolitical Guideline," subtitled "An Orientation Framework for the 1980's," the CVP did not draw the conclusion from this contradiction by toning down its ambitious "C" platform policies. It is the only one of the four Federal Council parties to submit a "project of society" which claims to be valid for a whole decade.

As the last of the Federal Council parties, the SPS deliberated on its election program, the "Political Statement," in Bern from 23 to 24 June. The traditional turbulence of this "community of leftwingers" with more than 600 delegates, if anything, was increased by two particularly hot potatoes which the party's leftwing dropped in the lap of the party executive headed by National Councilor Helmut Hubacher--the dispute about participation in the government and the referendum for armament credits. Nor was the invariably strong leftist trend in the mood of the "party congress base" impaired by the fact that the five chapters of the "Political Declaration" were considered beforehand by working groups. Nevertheless, in its final version, the SPS election program turns out to be even harder and more ideologized to some extent than it had been drafted by the party leadership.

FDP's Liberalism

Zurich NEUE ZUERCHER ZEITUNG in German 29 Sep 79 p 27

[Article by "gfh": "The '1979 Objectives'--Harking Back to the Liberal Roots"]

[Text] The division into a fundamental segment ("Liberalism Today") and a detailed political segment ("Objectives") as early as 1975 presaged in the Radical Democratic Party an increased harking back to the roots of

liberal ideas. Significantly, the question "What actually is our course?" and a doubt as to "whether we are still on the right road or whether we have not got lost in routine tasks and have missed the direction pointed out by the compass" stand in the forefront of becoming again conscious of the principles and aims of liberalism.

[Insert:] The FDP "1979 Objectives"

Federal Finances:

We demand a medium-term balancing of the national budget. Since the tax burden has reached the limit, the future trend of expenditures must accord with the trend in income.

Joining the United Nations:

As regards the pros and cons of Switzerland joining the United Nations, a broad information action, with a view to a referendum, should be conducted.

Complete Revision:

We advocate a complete revision of the federal constitution along liberal lines. A new constitution should again make visible the liberal, social, cantonal-rights and democratic pillars of our state and make possible a modern reform of government institutions. However, we go on record with the fact that the authorities of the confederation and individual freedoms must be explicitly defined in the new version. We reject an open-ended constitution.

The classical liberal structure of the 1975 program has survived the changes of the past 4 years and now also forms the guideline for the "1979 Objectives." It starts out with human freedom ("liberalism is based on human freedom, dignity and individual responsibility"), which can develop only on the soil of democracy and a constitutional state. Such freedom, as stated in the further leitmotifs of "Liberalism Today," take shape in social justice, in competition of the market economy, in respect for the natural bases of life of our environment and in responsibility for the national and international community. Faced with the fact of social change, a constant continuing development of the liberal order, a "continual search for a better and more just solution," is among the inherent components of liberalism.

Freedom--Not Only for the Economy

The fact that, contrary to what the left often claims, the FDP does not unilaterally apply the idea of liberalism to the relationship of tension between industry and the state becomes apparent if one compares the outer

form of the 1979 election program with that of the 1975 program. If in 1975 the shadow of the recession had required a concentration on 16 key areas of politics, now 5 new areas--health, workers, consumers, tourism, media--have been added in the changed situation of 1979. In all these areas, the question is raised about the possibilities of individual responsibility, with the state merely being asked to improve the framework conditions. The extension of the field of view therefore, contrary to what one normally is afraid will happen in an election program, does not lead to a corresponding extension of the catalog of (financial) demands.

In the introduction of the objectives, those problems are outlined which should receive prime consideration on the road to a "society of free people"--a lack of readiness to take note of the "patent fact of the aging of society." The isolation of the elderly from people actively engaged in labor should not only be eliminated through material provisions--and in fact various demands of liberal social policy are directed toward the non-material aspect of questions of age.

Intent on Balance

Further the inclusion of youth and putting man and woman on an equal level turn up as tasks of the liberal conception of society and the state as well as a concern for partnership between management and labor in a more inclement economic climate. Advanced training of workers and codetermination in their sphere of activity are just two demands expressing a desire for a humane world of labor and one not "dictated by cold economic thinking." The process of development, in which all age groups and population groups are to share freely and responsibly, must be "intent on balance," it is stated a little further on, since the formula of "more freedom and individual responsibility and less government" gains meaning only within this concept of solidarity and support. It is not directed either toward "reduction of provisions of social legislation" or confrontation but calls for making it clear to oneself where the state for compelling reasons must fulfill this balancing function and where it restricts the freedom of movement of individual self-aid and initiative and thus stifles freedom rather than creating it.

Realism and Continuity

Of all election programs of the Federal Council parties, the one of the FDP therefore distinguishes most clearly between qualitative and quantitative improvement of performance of our government system, the former being demanded just as emphatically as the latter is being rejected. In the chapter "Democracy and Constitutional State," the stress is on strengthening the protection of the person and the tools of the constitutional state as well as on parliamentary reform. Added to the classic liberal principles in foreign, defense, financial, economic and educational policy, within a framework of 182 demands in all, are numerous demands on substantive political questions in other sectors reflecting the FDP's rich experience in

dealing with governmental responsibility. Rather than asking for an "energy waste tax," as the SPS is doing, the Objectives propose numerous practical measures for reducing energy consumption. This bent toward realism and sometimes probably also toward hesitant caution in dealing with program demands (example: Joining of the United Nations) reflects the fact that, though the FDP is no longer the sole "government party," it still is, as it has been since the beginnings of the confederate state created by it, the "party of statecraft"--a quality that cannot be offset by the mere making of demands.

Programs and Reality

Zurich NEUE ZUERCHER ZEITUNG in German 29 Sep 79 p 27

[Commentary by "G. F. H.": "Election Programs and Reality"]

[Text] The Radicals want a balanced federal budget over the medium term, the SVP a budget balanced over the long term; the CVP favors both saving and increased income, and the SPS is making demands amounting to billions of francs. This is the state of the hardly cordial financial concordance if one compares the election programs of the Federal Council parties. And yet they are in the same boat which set sail under the four-color flag of the "magic formula" 20 years ago. Can a crew so little in accord in one of the basic questions of our federal policy still exercise any joint government responsibility at all? This is one question the confused citizen is likely to ask himself before he makes up his mind to participate in the Swiss elections on 21 October. But the voter might also harbor other doubts--a general suspicion, as it were, about the "big four"--wondering whether these, with their objectives, action programs and guidelines, are merely staging an election drama purely intended to catching votes, only to do what they wish afterwards (as the potential abstainers from voting are wont to say).

The definition of the parties becoming apparent in comparing the 1979 election programs, therefore, are not eliminating the voters' problems of identification and participation as simply as some domestic political augurs are prophesying--unless one deduces from it immediately a rejection of the "magic formula," which however is far less to the liking of all concerned than to that of some onlookers of the press.

What are the potential and limits of the election programs? First one must mention the possibility of choosing not only between more or less known (in large cantons probably less known) "people's representatives" but between various state policy, social policy and substantive political options. The chances are that the basic decision about the extent of government activity will become here the key question of the 1979 National Council elections. In this basic question the liberal pole of the Radical Democrats and the collectivist pole of the Social Democrats confront one another with unequivocal statements.

But what will happen with these program statements after the elections? Will they be silently put aside after having done their job as points of reference for the voters? No; for in the negotiating phase coming up, where the question is the "government program" of the Federal Council and the joint legislative aims of the Federal Council parties, the program profile (hardened as far as possible by the election results) will serve as the basis of negotiations. Of course, it cannot now be a question of completely imposing one's own program on the three partners--though the Social Democrats tried to do so in late fall of 1975, thus dooming the talks about legislative aims to failure.

The opinions about the priorities of such talks on legislative aims between the parties, which only recently have made program statements as pronounced as possible, differ widely, however. It is primarily the CVP that would like to pin down an agreement between the Federal Council parties as soon as possible and in the greatest possible detail. In its "Sociopolitical Guideline" it goes so far as to propose that such an agreement must be concluded even before the Federal Council puts up its government aims for debate. In this way the legislative aims of the Federal Council parties are to affect the direction of the march of the executive branch for the coming 4 years.

On the opposite side is the view that precisely such a joint party tussle contributes to obliterating the contrasts which must clearly come to the fore for 4 years in parliamentary practice. Both points of view cite a "voters' mandate." The question clarifies if, the various stands on political issues notwithstanding, one keeps in mind that it is a question of parliamentary elections in a system of semidirect democracy, a system in which the parties always also have available the road of the initiative and the referendum. In other words, a system in which they can be government and opposition at the same time, without having to be dead set on constantly breaking out of the "Federal Council column of four," as the SPS evidently envisages. It follows from this that coordination and discussion among the Federal Council parties about pending legislative business can definitely be useful, but that actual coalition negotiations give the illusion of a system which we do not have. What is worse, they quite unnecessarily obliterate the profile of the parties which are partners in the executive branch but often opponents in the legislative branch.

But are these profiles of the parties in fact genuine? Have not the differences within the parties already been reduced to a common denominator which turns out to be useless at the very next accounting concerning a specific political issue? In fact the decentralized structure of the national parties with their partly quite independent cantonal parties presents a more checkered picture than could be painted by the election programs.

What is being presented as the profile of the parties today, however, nevertheless corresponds to their mental state more reliably than in former election campaigns. This is due, on the one hand, to an improved vertical coherence of programs. With the exception of the SPS, all Federal Council parties in the past 4 years have freshly elaborated the party principles on which the election programs are based. On the other hand, the program control in the Federal Council parties has been substantially strengthened in this decade. The FDP regularly draws up a balance sheet about the success of its objectives. In the CVP, the party youth subjected the 1975 action program to a sharp followup analysis and demands an institutionalization of this program critique. In the SVP a program commission sees to the control and working over of the main points of the platform.

This insures an increased transparency on the road from the program to reality in the three bourgeois parties, which turns out to be an advantage for both sides to whom the programs are addressed--the voter and the parliamentarian. The greater the possibility for the voter to judge the position of "his" people's representative in a differentiated manner, the greater is also their representativeness.

A useless road toward better program control, on the other hand, was embarked on by the SPS party base, which put over an explicit statement that the election platform is binding for the parliamentarians. Whoever wants to make program ideology a reality with such brute force not only demonstrates an amazing degree of distrust toward his representative but leads the Swiss democracy of negotiation ad absurdum. He a priori reduces his parliamentarians to the status of ideological puppets, and their field of negotiation--our parliament--to a puppet theater stage.

CVP's Image

Zurich NEUE ZUERCHER ZEITUNG in German 29 Sep 79 p 28

[Article by "gfs": "High-Altitude Flight Instead of Mountain Climbing--The 'Sociopolitical Guideline' of the CVP"]

[Text] The Christian Democratic People's Party fared poorly with the so-called "reassessment" in 1975 of its action program of the "policy of the dynamic center" which had been established in the euphoria of the 1970-1971 party reform. What with the highflying program draft being subjected to some painful curtailments, the discussions between political-science egg-heads and pragmatically conservative politicians (particularly from the original interior Swiss lands) at the party congress in Locarno were interpreted here and there as a "slide to the right" and as a relapse into old Catholic-conservative waters. Particularly the social Christian wing stuck obstinately to these charges, despite the fact that primarily two plausible reasons could be adduced to explain the dampening of the optimistic sounds

of reform--the general cooling trend in the domestic political climate, both economic and sociopolitical, which had occurred in the meantime, and the fact that the party had failed to make any kind of realpolitik curtailments in the draft of the party intellectuals.

[Insert:] The CVP "Sociopolitical Guideline"

Federal Finances

A necessary complement of a policy of stability is represented by a budget policy taking economic swings of the pendulum into account. This includes putting public finances on a sound footing and constantly reducing deficits, but prohibits abrupt turnabouts or measures which, independently of the economic situation, aim at a complete balancing of the budget in a certain year.

Joining the United Nations

The question of Switzerland joining the United Nations and Switzerland's relations with that organization having been the subject of several detailed reports of the Federal Council, we consider it indispensable that people and cantons should be able to take a stand concerning such membership in the course of the 1980's and not to delay a referendum any longer. The CVP, for its part, advocates such membership, which would have to include reservations of neutrality.

Complete Revision

The CVP considers that the "Enterprise of a Complete Revision of the Federal Constitution" is a necessary effort for becoming again conscious of the basic values of the Swiss Confederation. Accordingly, the foundations of our state structure are also to be reexamined. The available draft constitutes the proper basis of discussion for this.... To the extent possible, the new Swiss constitution should be submitted to people and cantons as a whole and not in the form of various partial or incomplete revisions.]

Clash Avoided

With its draft of a "Sociopolitical Guideline" for the 1980's, the CVP avoided a similar clash during the period preceding the 1979 National Council elections. In an extended analytical part, the "projet de societe" demanded above all by the Young CVP discusses problems of social and structural change, resulting in just as extensive abstract "objectives" from which then the first concrete demands are developed. This made it possible at the same time to satisfy the claims of party intellectuals and the conservatively pragmatic needs of many CVP members of parliament and delegates without leading to a renewed clash of the extremely varied interests in the Swiss party which is the most heterogeneous in its social composition.

Proceeding from the social Christian image of man (as cited by the 1978 basic program), the CVP with its orientation framework wants to contribute to "coping with the social and structural change of our society and our state." "Equally averse to cropping up collectivist and old liberalist tendencies," it wants to put its basic values and guidelines into practice in the area of the following four key points: in society policy ("The current social policy must become society policy"), in the economy, in the field of "peace and international cooperation" and in "state and democracy." The general style of such an overview leads to some of these "concerns coming to be outside the scope of political action," as is stated at the end of the introductory chapter.

Family Policy and Codetermination

The emphasis in the CVP as regards a social policy turned society policy is on the demand "More for the Family." By means of a "family component" in remuneration and massive tax reductions, the family policy is to contribute, among other things, to "countering the threatening population decrease."

In economic policy, the CVP advocates "qualitative growth with full employment," which the party believes can be realized only with a package of employment policy measures. In addition to the "regional balance" important for the CVP's key lands, the question of codetermination takes up a great deal of space. In this the CVP differs from the SPS primarily in that it does not want to admit workers representatives not belonging to the enterprise concerned. In contrast to the FDP, however, it advocates codetermination on the enterprise level.

In the detailed chapter about development cooperation, the guideline contains, thanks to the urging of the Young CVP, the demand that aid projects should be consulted to an increased extent in questions of foreign economic policy and development cooperation. Foreign trade and development cooperation should be guided by the claim for social and international justice.

SPS Declaration

Zurich NEUE ZUERCHER ZEITUNG in German 29 Sep 79 p 28

[Article by "gfs": "The Bourgeois Enemy--The 'Political Declaration' of the SPS"]

[Text] Even in its size the "Political Declaration" of the SPS is far more modest than the FDP and CVP programs, which each comprise 30 pages; it fills not quite a dozen pages. And in contrast with the three other Federal Council parties, which have revised their platforms in the past few years (the FDP in 1973, the SVP in 1977, the CVP in 1978), the actual party

program of the Social Democrats has now become 20 years old. The present leftwing of the party, which is pressing for a revision, today does not like to be reminded of the turning away from a class party to a "people's party" (Walter Brüngli) in 1959 or of the fact that the SPS at that time went into an election campaign with the placard slogan "Beautiful Homeland--Happy People," with two Social Democrats for the first time moving into the Federal Council in the wake of it. In fact, a reform of the party program is scheduled for the period following the 1979 National Council elections, and this is likely again to lead to a period of high ideological tension in the SPS.

[Insert]: SPS "Political Declaration"

Federal Finances:

In Switzerland there exist huge differences in income and wealth. Our tax system preserves and consolidates the privileges of the rich and leaves them numerous loopholes. This needs to be fought against. We demand: Measures against tax evasion, equalization of unequal tax burdens in different cantons, information by banks in tax questions, taxation of the bank and financial sector (notably abolition of the lack of a clearing tax [Verrechnungssteuer], a more social arrangement of direct taxes. In this way we will also advocate in the future that the confederation receive the funds needed for the social tasks. We will oppose a further reduction of federal expenditures if a reduction means a further burdening of the socially weak.

Joining the United Nations

We advocate an immediate joining of the United Nations.

Complete Revision

[No platform statement by the SPS]

Confrontation

Added to a lacking vertical coherence of the party program, there is in the case of the SPS, in diametrical contrast to the other three Federal Council parties, a horizontal connection of substantive fields in the "Political Declaration." What holds this program together is not the coherence or practicability of its demands but the confrontation against the bourgeois parties, whose wholesale blame forms the background of SPS demands. Already the first of the five chapters, entitled "For the Preservation of Jobs," states:

"The sole aim of the entrepreneurs even during an economic crisis remains to increase their profits, and to this aim all political actions of the bourgeois parties are subordinated. We, on the other hand, demand 1) the right to work...."

According to the SPS program, in opposition to "the capitalist economic system," the "jobs are to be preserved," and a new kind of growth policy is to be conducted "which does not simply, as heretofore, promote the turning of the landscape into concrete and the rationalizing away of jobs." Further demands of the first chapter are, above all, codetermination, a shorter workweek ("the immediate aim: a 40-hour work week") and more just taxes, which then solves the problem of how the confederation is to receive the funds needed for the social tasks in the future.

Freedom To Strike for Civil Servants

In the chapter about the "Freedom of the Individual" there stands out the demand for freedom to express one's opinion, demonstrate and strike for all workers of private industry and in the civil services. Even after the introduction of data protection legislation, the SPS wants to fight the establishment of a Police Information System (KIS). The right to work is to be anchored in cantonal and federal constitutions and laws. The chapter about environmental, energy and area planning policy contains demands for a new ground, usufruct and rental law. As regards energy policy, it is stated rather noncommittally: "We want to reduce our dependence in energy supply as quickly as possible and prepare a future without nuclear power plants." An "energy waste tax" is demanded to finance alternatives.

Referendum for Armament Credits

The hottest potatoe of the Political Declaration is a demand, adopted after hard confrontations, for an optional referendum for armament credits. The export of arms into "nonneutral countries" is to be suspended, as well as the export of "nuclear technology that can be misused." As a contribution to "the workers' international solidarity," the Political Declaration supports "efforts to establish here strike solidarity funds for supporting labor struggles in the Third World, notably also in branches of Swiss concerns."

In the final chapter, "Greater Social Security for all--Against the Reduction of Social Legislation," the bourgeois parties are accused of having initiated a "strong offensive" to "stop progress or even cancel achievements." Social work is "deprived" of about a billion francs a year through changes in the law, while at the same time the EMD [Swiss Military Department] proposes an "expansion of armaments amounting to several billion francs." A batch of demands is then made for expanding health insurance, maternity insurance, AHV/IV [Old Age and Survivors Insurance] (for instance, reduction of men's retirement age to 62), preventive care on the job and unemployment and accident insurance. Financing of these demands, whose total would run into billions, appears to constitute no problem for the SPS: "Our country is rich enough to guarantee social security for all."

SVP's Action Program

Zurich NEUE ZUERCHER ZEITUNG in German 29 Sep 79 p 28

[Article by "ghf": "Desire for People's Party--The SVP's '1979 Action Program'"]

[Text] The Swiss People's Party's "1979 Action Program," divided into 21 chapters and 139 demands, forms the conclusion of a profound program restructuring of the former Farmers, Artisans and Citizens Party, joined by the Grisons and Glarus Democrats in 1971. In 1977, under the impact of the 1975 election defeat, the SVP gave itself new structures and a new "party philosophy," laid down in the "Basic Principles," intended to make it attractive to workers, women and young voters as well. Henceforth the "continuing program planning" in the SVP will not be limited to action programs to be drafted anew every 4 years. Every year a platform party congress will be held which, according to the statutes, is to decide on "key points" for the party work of the coming year. Continual control and submission of programs is the task of a permanent program committee.

Between Progress and Tradition

According to its action program, SVP is an "active and open party" intent on "adapting to the conditions and tasks of the times and confronting the ideas of a new generation receptively." It wants to "combine progress and tradition, maintain and develop our federal state and mediate between town and country and between professional and cantonal interests."

In its stand toward parties, the SVP, for example, goes further than the Radicals, demanding constitutional recognition of the parties and financial compensation for fulfilling tasks in the public interest. It cautiously advocates a complete revision of the federal constitution. In the chapter "Youth," the SVP advocates reducing the voting age to 18 years. The SVP adopts a stance moderately in favor of reform in financial, economic and currency policy. Differentiated substantive political perspectives are included in the fields of total defense, agriculture, the crafts and tourism--also regarded as key areas by the "reformed" SVP.

[Insert:] SVP "1979 Action Program"

Federal Finances

The federal budget must be balanced over the long term. The tasks to be assigned to the confederation are to be limited to matters of importance, with the required means being employed economically. State expenditures are to be checked as to their effectiveness, with subsidies particularly being examined as to their purpose and need on a current basis.

Joining the United Nations

The pros and cons of Switzerland joining the United Nations are to be weighed on a continuing basis. The public is to be informed on a broad basis in order that eventually a prepared decision concerning the foreign political position of our country may be reached. Swiss cooperation in specialized agencies is to be intensified.

Complete Revision

The federal constitution should be put in simpler language and form. The draft of a complete revision must insure the present government structures and the liberal state and economic order.

Opening for Workers and Consumers

The opening of the SVP is demonstrated by the Action Program in chapters about workers and particularly consumers, to whom the party, previously oriented rather toward the manufacturers, promises effective protection--through making it clear what is being offered by expanding the obligation of certification and support of goods tests. Further the law about unfair competition and the cartel law are to be rapidly revised. In the process, the opportunities of consumers and their organizations to take legal action are to be improved and simplified, a reduction of unjustified price increases is to be made possible, and the obligation to pass on foreign exchange rate benefits in the case of imported goods is to be anchored in legislation.

In energy policy, the SVP advocates a pertinent article in the constitution and supports some partly controversial measures, such as the installation of thermal unit meters in multifamily premises or the integration of inland electricity surpluses in the public grid. In the final "Information" chapter, the SVP advocates promotion of the press by the confederation and establishing a legal obligation for giving out information on the part of the authorities. An independent complaint office is demanded for the SRG [Swiss Radio and Television Company], as well as making public the support [Oeffnung der Traegerschaft] of the company.

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SMALL PARTIS' POSITIONS PRIOR TO THE NATIONAL COUNCIL ELECTIONS

Pluralist System Explained

Zurich NEUE ZUERCHER ZEITUNG in German 6 Oct 79 p 27

[Article by "C. W.": "Part of Pluralism"]

[Text] The parties whose respective programs will be introduced here present a heterogeneous picture. There are enormous differences, not only in program but in organization and type of activity, between the deeply rooted Liberal Party, with its approximately 10,000 members, and the new Marxist organizations, with their several hundred members approximately. The rise of the "national" parties is connected with the popular initiatives against foreign domination, while the massive contributions of the Migros Cooperative League to this day form the basis of the Independent Party, whose character otherwise has adapted itself to the older parties. Even the presentation of medium- and long-term aims hardly reveals any uniform features and permits no systematic comparison. If POCH [Progressive Organizations] were not also so active externally, its 120-page program--just one of many publications--would almost have to be considered a substitute for routine political activity. Other parties leave it up to their cantonal membership organizations to apply the principles of their politics in topical statements vis-a-vis the voter. Thus the EVP [Evangelical Party] and the National Party have no new action programs, and the stands of the LPS [Liberal Party] on individual issues have expressly been drafted by various Liberals. Furthermore the number of candidacies is apt to give the wrong idea of the actual significance of a political force.

The system of proportional representation also makes it possible for minor parties and temporary movements to make themselves felt. Little groups without any support hardly have a chance of succeeding there, but significant minorities--whatever view one may take of this--are integrated. On the whole, what with the parties represented in the Federal Council holding 85 percent of the National Council seats and 78 percent of the vote, a senseless dismemberment does not exist. If anything, applying the criteria of a parliamentary system, one might rather wonder whether there is not a lack of counterbalance against the government. However, whether one looks

at the "nongovernment parties" as a whole or individually, direct democracy and concordance make the terms "majority" and "opposition" relative. Whereas the parties which bear no executive responsibility probably find it easier to adopt a critical attitude or advocate deviating ideas, it is primarily the government partners themselves that set limits to the Federal Council--particularly partial groups which, in the individual instance or generally for reasons of seeking an identity, do not let themselves be obligated to follow the joint line. Insofar as the minor parties cannot also achieve an effect with a referendum and initiative or with relevant threats, they mark points of view in each instance that indirectly exercise the function of correctives. What frequently is addressed is not the whole way of governing but a certain orientation regarded as related but not as being applied with enough consistency.

It remains to be seen whether the trend back to the major parties apparent in the last elections will continue. The expectations of the "small ones"--also in connection with the resignations of popular persons--are partly only directed toward preserving existing positions, and the successes of POCH in the cantonal elections are not unbroken either. Finally, one must not overlook the change in the "traditional" parties in which also the trends toward the fringe or the individual aspect are reflected.

Table on page 27

(1) Die mittleren und kleinen Parteien im Überblick								
	(2) Gründung	(3) Sitz des Sekretariats	(4) Präsident	(5) Wähler 1973	(6) Stimmen- anteil 1973 in %	(7) Sitze im NR 1971 1975		(8) Kantone mit Listensitz/Mandaten
EVP	1919	Zürich	Paul Gysel	38 000	2,0	3	3	ZH*, BE*, BL, SH, SG, AG
LdU	1936	Luzern	Dr. Walter Biel	117 000	6,1	13	11	ZH*, BE*, BS*, BL*, SG*, AG*, TG, VD, NE
LPS	1911 ¹	Bern	Blaise Clerc	47 000	2,4	6	6	BS*, VD*, NE*, GE*
NA	1961 ¹	Spiez/BE	Valentin Oehen	48 000	2,5	4	2	ZH*, BE*, BS, AG, TG, GE
PdA	1944	Genf	Armand Magnin ¹	46 000	2,4	5	4	ZH, BE, SO, BS, BL, TI, VD*, NE, GE*
POK H	1971/73	Oten	Eduard Hafner ²	19 000	1,0	0	0	ZH, BE, LU, SO, BS, BL, SH
PSA	1970	Bellinzona	Werner Carobbio ³	7 000	0,3	—	1	TI*
Rep	1970/71	Flaach ZH	Franz Baumgartner	57 000	3,0	7	4	ZH*, BE, AG*, TG, GE*
RML	1969	Zürich		7 000	0,4	0	0	ZH, BE, LU, ZG, BS, SH, AG, VD, NE, GE
(9)					(10)			
(11)					(12)			

¹ Liberaldemokratische Partei, 1961–1977 Liberaldemokratische Union. ² Nationale Aktion gegen die Überfremdung von Volk und Heimat (–1977). ³ Sekortät. EVP und LPS sowie PdA und PöA bilden je eine Fraktion.

* Liberaldemokratische Partei, 1961–1977 Liberaldemokratische Union. ¹ Nationale Aktion gegen die Überfremdung von Volk und Heimat (–1977). ² Sekretär. ³ Sekretär. EVP und LPS sowie PdA und PSA bilden je eine Fraktion.

(Key on next page)

Key:

1. Table Showing Medium-Size and Small Parties
2. Date of Foundation
3. Location of Secretariat
4. President
5. 1975 Vote
6. Percentage of 1975 Vote
7. Seats in the National Council
8. Cantons with Lists/*Seats
9. Liberal Democratic Party, Liberal Democratic Union 1961-1977
10. National Action Against Foreign Domination of People and Homeland
11. Secretary
12. EVP and LPS as well as PdA and PSA each constitute one fraction.

EVP Platform

Zurich NEUE ZUERCHER ZEITUNG in German 6 Oct 79 p 27

[Report by "C. W.": "The Evangelical People's Party (EVP)--Christian Responsibility in a Threatened Order"]

[Text] "The Evangelical People's Party sees in the spirit of determined brotherly love, founded on obedience to the will of God, the supreme principle of its politics," states the beginning of a guideline of the EVP--founded in 1919--going back to Basle historian Prof Hermann Baechtold, a leading figure of the first generation. Today for sure, the EVP is no denominational organization but considers itself an "association of people who as Christians have recognized their political responsibility and...wish to exercise it." The basic values and demands of the Gospel are to be applied in appropriate practical politics, independently of interests, ideologies and the relevant organizations, and also independently of the "churches and communities" to which EVP members belong. On the other hand, as is stated in another point of its "Basic Guideline," the party does not claim to be the sole advocate of the Protestant point of view and makes it a point that internally it does not wish the individual's decision, guided by his conscience, to be infringed by any kind of constraint.

Perhaps precisely because the EVP regards the state, a more dignified development of which it stands for, as something ever imperfect and transient, and does not derive any concrete social structure from the Christian attitude, it defines itself not only in terms of the "style" but also in terms of the endorsement of the liberal, democratic and social order "in which we find ourselves." (By style it means unprejudiced service for the community, opposing the rigid formation of blocs and contributing to reconciliation.) Conscious of the fact that every human being is unique and cannot be manipulated, the EVP wants to defend and promote the freedom from governmental and economic constraints but also the freedom from fear and need. In this respect it speaks not of "rights" but--from the sociopolitical point of view--of the need for turning toward one's fellow man of community assistance. Responsibility itself thus remains a factor of individual ethics and human limitations.

In its concrete activity the EVP proceeds from the premise that the "current mass-oriented order" [Mengenwaertige Ordnung] is threatened, among other things, by concentrations of power, technological-social complexity, military destruction potentials and loss of a sense of responsibility. A 1975 program is complemented by a certificate of performance of the three persons who have served in the National Council and have formed a joint parliamentary group together with the six Liberal representatives. (The party program as such and the statutes are in the process of being revised.) A first key point in the EVP's retrospect is protection of man and environment, particularly promotion of public transport, foregoing the building of certain autobahns and also support of the popular initiative against street noise. While demanding a tightening of the nuclear law, the EVP rejected the nuclear initiative. In the same context are the efforts for effective protection of animals but also the advocacy of a ban on advertising in habit-forming drugs and, not least, rejection of the deadline solution [Fristenlösung] in abortions.

In financial and economic policy, criticism is voiced against "lack of moderation" in rejecting budget proposals, particularly of the value-added tax, and in the view that fiscal reform must now start with expenditures and with disentangling the confederation-canton connection. Far-reaching intervention in the economy and a letup in the struggle for price stability are also rejected. Fairly long, too, is the list of the interventions undertaken in the past 4 years concerning military policy and security policy subjects. As for the--despite everything--direct own concerns of a religiously motivated party, the EVP does not consider it urgent that changes be made in the relationship between churches (plural) and the state, and demands that religious instruction be furthered at all levels.

LPS Platform

Zurich NEUE ZUERCHER ZEITUNG in German 6 Oct 79 p 27

[Report by "C. W.": "The Swiss Liberal Party (LPS)--Liberty, Continuity, Prosperity"]

[Text] What the Swiss Liberal Party offers by way of a "Declaration" and detailed documentation (for the use of those conducting the campaign) is no election platform. True, with six seats in the National Council, it is one of the larger parties among the minor ones and would be in a position to form a parliamentary group even without the EVP. But admittedly the Liberals--who in any case are not fond of conciliating and smoothing over--place the emphasis on the cantonal level, and there again only in individual regions, namely in Basel, where 2 1/2 years ago they lost their only German Swiss newspaper, in Neuchatel, where they have a 22-percent share of the vote, in Vaud and in Geneva, where they have a representative in the Council of States. But the principles lack clarity. What is at stake is freedom of speech and action (in that order), with which solidarity is considered inseparably connected, an increase promotion of cantonal rights (not lending itself to abstract organization) and a constitutional state also distinguished by limiting the scope of its activity.

Liberty, in the view of the Liberals, presupposes private ownership, which in turn contributes to general prosperity. The LPS consistently pleads for economic growth and for structural adjustments. The state, it says, must not infringe on this development, particularly not by a disproportionate expansion of its share in the gross national product. Rather--except in agriculture--it should only insure price stability and the currency system, promote foreign trade and--with the pertinent transport network--a regional balance and, finally, see to adequate supply of raw materials and energy--in all forms. Professional training, the universities and research have fiscal priority as far as the LPS is concerned; while rejecting egalitarian objectives, it demands real educational opportunities for all. Education shall, however, remain the domain of the family, just as incidentally the position of the woman is also to be improved, without a definite role being prescribed for her.

Just as the state is to prevent the abuse of freedom, but not regulate its normal use, social solidarity is assigned the function by the LPS of protecting the weak from blows against their existence. The current situation, the LPS regards as proper a check of the various insurance branches within the framework of an overall concept. Management and labor otherwise should be left as much freedom of movement as possible in developing social security, and also in expanding the say [Mitsprache]--not codetermination--of workers.

The Liberals note that the individual and private industry today are being restricted more and more--a development, it says, which is promoted by the left and insufficiently checked by the other parties.

Because it follows the principle of decentralization, the LPS, among other things, rejected the first areaplanning law and even the popular proposal by the confederation concerning footpaths and trails. A complete revision of the federal constitution (made possible, among other things, by the motion of one Liberal, with another one submitting a proposal of his own) is rejected completely because of the proposed division of tasks between confederation and cantons and also because of ownership and economic provisions. As regards environmental policy, for example, the LPS recalls the successes of cantons and communities in the protection of waters. When it supported the fiscal proposals of the confederation, it did so in the interest of a balanced budget but primarily along the line of again increasing the share of the confederation in indirect taxes and leaving direct taxes as far as possible to the cantons. To improve cooperation among cantons, the LPS proposes a "Canton Agreement Chamber."

Greatly though the LPS insists on construction "from below upward," its assessment of worldwide entanglements is realistic. On the one hand, military expenditures occupy the top position in order to maintain independence; on the other hand, the party pleads for universal foreign political and foreign trade relations, for increased government development assistance and for joining the United Nations--but only when the time is ripe. Finally, it is probably especially characteristic of the LPS that, 1 month before the elections, it placed its fall congress under the sign of "Art and Culture in the Liberal State." Thus it also reserves a place for the "esprit de nos traditions" [spirit of our traditions] in its educational policy concepts.

LdU the Largest Fraction

Zurich NEUE ZUERCHER ZEITUNG in German 6 Oct 79 pp 27-28

[Report by "C. W.": "The Independent Party (LdU)--Between Social Capital and Social Liberalism"]

[Text] From the political aid of the founder of the Migros and from a "movement," the Independent Party some years ago turned into a party by name as well, which, despite clear losses at the last elections, with 11 deputies in the National Council and 1 in the Council of States (with a share in the vote of over 6 percent), constitutes the largest fraction next to the Federal Council parties. There has also been a change in some basic features of a never very comprehensible political line. If for a long time competition and the fight against interventions in order to preserve economic structures were in the foreground, and if the Migros at least for a circle of supporters embodied the complementary idea of the social responsibility of capital, today here and there in the LdU economic concentration is criticized, not least by pointing to the Migros, while at the same time the growth and consumer ideologies are questioned. And "social liberalism," as outlined by National Councilor Dr Walter Biel, party president and director the Migros, at the last national congress, also desires a positive shaping of the framework conditions in all of society.

Strong tendencies against nuclear energy or for a far-reaching protection of consumers, but also differences between fraction and party in the Busipo proposal, led to internal tensions, however, which went beyond a "conflict of generations" and also beyond what is unavoidable in an organization benefiting time and again from comparatively independent personalities. Symptomatic as such is also the agreement concluded some months ago between the LdU and the Migros Cooperative League, the main donor of the party, about pursuing the "joint objective"--"a liberal, open, democratic and social society."

Any more than citing Gottlieb Duttweiler, functioning as an "opposition" in parliament cannot by itself bring about unity. It is true that one continues to talk about the "power cartel" of the four large parties and, for example, boasts of the early opposition against the Furka tunnel. A leitmotiv of the work in parliament, about which a written report is made annually, furthermore is also the criticism of the supposedly uneconomical and insufficiently proconsumer agricultural policy and, altogether, of the policy of the allegedly untargeted subsidies. Yet in fiscal policy it also becomes clear that the groups that count in a referendum--including groups from among the "government parties"--can exercise stronger control over policy than a fraction in parliament that is also "morally" uncommitted, and that initiative cannot be implemented easily. Instead of only unmasking "compromise politics," the LdU otherwise for some time has made a stronger attempt to warn against polarization and to save the "center" between the "blocs"--aims similar to those also advocated by a Federal Council party.

And so National Councilor Biel in the mentioned report also discusses the political legitimacy and solidarity crisis. He frequently quotes the German Free Democrat Karl-Hermann Flach, while reproaching the domestic FDP, on the basis of a corresponding publication, for "lacking a basic but reality-related platform." He describes the LdU policy by quoting various demands which can be found in more or less outspoken form in the 1974 "Guidelines." The LdU, he says, actively supported effective area planning, submitted an energy plan on the basis of a detailed analysis, will support the insuring of competition in the current cartel law revision and also advocated a modern economic planning policy. It was also known that it had fought for a modern tax system, with the LdU, in order to realize a balanced distribution of income and wealth, considering an all-Swiss tax system a necessity. Cantonal rights in another chapter of the "Guidelines" are assessed more functionally than historically (the party being established only sporadically on the cantonal and community level).

In addition, Biel expressed clear support for codetermination in the various spheres of society, particularly in industry, without however any special rights to be conceded to the trade unions. In addition to democratic control, which should be exercised primarily by parliament, in accordance with another constant LdU demand judicial control (administrative court and constitutional court jurisdiction) is to be expanded. In the sociopolitical sphere, where the party's position has not really been closely defined, a key point has recently been developed in the form of the health policy plan, with great importance being attached to individual and general preventative measures. After dissociating himself generally from the "belief in the state and bureaucracy," Biel endorses Hans Tschaeni's view according to which the LdU has not yet managed to fill the social-liberal gap in the market.

PdA, POCH, RML Against Social Partnership

Zurich NEUE ZUERCHER ZEITUNG in German 6 Oct 79 p 28

[Report by "C. W.": "Labor Party (PdA), Progressive Organizations (POCH) and Revolutionary Marxist League (RML)--Three Parties Against Social Partnership"]

[Text] The movements for re-ideologization but also of the breaking away from inveterate structures led to the establishment of new Marxist parties in the years after 1968. The PdA, which found it difficult to adapt to the new trends and generally emancipated itself from its Soviet model in word and, on the other hand, did not depreciate its (modest) positions in the political system, at first was unable to benefit from the New Left. In a split in the French-language part of the country, the Ligue Marxiste revolutionnaire was created in 1969, which is quantitatively insignificant to this day but has made a certain name for itself by its organizational presence and a downright purist criticism of bureaucracy and Stalinism. Along Trotskyite lines, the RML devotes primary attention to "movements of the base," while the participation in elections in the bourgeois "democracy

subject to recall" plays only a subordinate part. The Progressive Organizations developed directly from the student movement, becoming a Swiss party in 1973. While also seeing "the principle of a communist society" as the long-term aim, POCH, making extensive use of the political institutions, has fought with rather superficial ideas and demands for alliances with all "antimonopolist" strata.

In the search for "unity of action of the left," however, all three minor parties reject the social partnership policy of the SPS and the trade unions. In the statements on current issues as well, albeit with varying priorities, there are many common points—for example, reduction of the workweek, heavier taxing of high incomes (100 percent from 100,000 francs, according to the RML proposal), expansion of AHV [Old Age Insurance], equal rights for women, foregoing additional or (POCH and RML) also existing nuclear power plants and the struggle against "imperialism."

Although the PdA otherwise really has tried to associate itself with the SPS rather than with POCH, the two larger fring parties now have agreed to combine lists in several cantons. Together with the Ticino Partito socialista autonomo, whose representative enables the PdA to form a faction in the National Council, and Southern Jura autonomist PSA, they have made a joint declaration "for a real socialist perspective" for the elections and the coming 4 years.

To Open the "Way to a Socialist Switzerland"

In 1971 "Theses," the PdA professes its support for the "teachings of scientific socialism," for Marxism-Leninism, and refers to the Soviet Union as the first powerful socialist state in the world. Socialism in Switzerland, however, could be realized only in agreement with the people—"neither from the top nor from outside"—and on the basis of the cantonal system. Accordingly, demands pointing toward the future are already to be implemented within the framework of the present system. In the new action program, "expansion of democracy" occupies first place, the point being made of again giving a new content to the "instrument of power." For instance, "any kind of sanctions against activists and responsible trade union representative" are to be banned. In connection with democratization of all sectors, mention is also made of self-administration. The PdA "acknowledges the importance" of citizen's initiatives and "supports the democratic organizations" which advocate certain interests in line with the PdA.

Basically the party follows a centralist concept, however. Among other things, it demands the nationalization of the entire energy sector, and only secondarily the cessation of construction of nuclear power plants. Under the same term of "democratic control," the "power of big capital" is to be limited or perhaps eliminated in the economy, while economic pluralism is to be maintained. An overcoming of the economic crisis by furthering "productive investments" and increasing consumption, together with the principle that "the rich must pay," forms the basis of a comprehensive program of shortening the workweek while raising wages, of social security,

of residential, youth and educational policy and of promotion of culture, sports and recreation. The demanded environmental measures are generally only reactive. An "exclusively defensive" national defense is to require fewer expenditures. In the chapter about foreign policy, in fact, the PdA explicitly supports cooperation with the neutral and nonaligned countries, while demanding above all the support of all "peace initiatives," particularly the efforts directed against the neutron bomb.

Struggle Against Imperialism and Monopolies

The election slogan of POCH, "Life Instead of Profit," just like the title of its program, "For a Democratic Renewal of Switzerland," could hardly have been phrased more noncommittally. What is at stake allegedly is not a model but first the "foundations for the struggle for socialism," and therefore in the next phase of development "social and democratic" concerns are to be furthered with which all "antimonopolist" strata, well into the bourgeoisie, can be addressed. With referendums on a cantonal and communal level (against rate increases of public establishments, for neighborhood outpatient clinics, smaller classes in schools and so on) and, above all, with the national initiatives for reducing the AHV age and introducing the 40-hour week, POCH at least became known. It does not role out the strategy of making far-reaching demands and anticipating failures. For the rest, social and fiscal policy aims also dominate the election declaration of this party.

The internationally oriented part of the platform, however, received especially detailed treatment. POCH here establishes a connection with the movement of the nonaligned countries, and with the "newly rising forces" of the Third World altogether. By stressing its independence, POCH evades a general stand toward the states of "real" socialism. In its opinion anyway, the new international situation makes indispensable a "progressive role" of Switzerland, particularly the support of a new world economic order. POCH also adopts an optimistic stance, and one of having been confirmed in its views, regarding domestic political conditions. In light of the Swiss traditions, it believes and concludes, democratic changes are "necessary and possible."

Preparatory Work for Council Democracy

The question "What does the RPL want?" is answered by a paper comprising more than 50 pages about capitalism and class cooperation with the bourgeoisie, about self-administration, a socialist upheaval of daily life and trade union work. One chief reason for the continuing existence of "capitalist anarchy," leading to waste of human labor, is the "splitting policy" favored by the labor peace, the paper says--the creation of individual or industrial branch differences within the working class. In order to establish the necessary unity among these roughly 80 percent of the active population, it was necessary to develop demands of "objective" interest to all persons dependent on wages--for example, the 40-hour week, public instruction workshops or monetarily equal wage rises for all categories. Specific demands are to be supported with solidarity.

If the RML in various spheres seeks to participate in action groups and stresses their "usefulness for the reconstruction of trade unions," this corresponds to its key principle of council democracy. In a socialist society, decisions are to be made in self-administration organs of plants and neighborhoods or by their delegates, with "the revolutionary party"--even now already quite well organized in 19 sections--submitting its proposals. And "the transition to socialism will be all the more peaceable, the better the entire workers movement is also prepared for the worse--namely rigorous repression."

Rightwing National Programs

Zurich NEUE ZUERCHER ZEITUNG in German 6 Oct 79 p 28

[Report by "C.V.": "The Swiss Republican Movement and the National Action for People and Homeland (NA)--National Program of Differing Types"]

[Text] The Republicans and the National Action probably would protest about being put in the same basket as "foreign domination parties." Both groups have long since claimed to be dealing comprehensively with the country's problems, but they differ quite substantially as regards program, basic attitude and style. However, it is not only the common origins which are indisputable (before the split, during the campaign for the foreign domination initiatives which were barely rejected in 1970, Dr James Schwarzenback--who also after his resignation as National Councilor and "chairman" of the Republicans still figures as cofounder in the letterhead--was the leading figure of the then NA), but, among other things, even today there is a connection between the policies of the two parties in that they demand a "return" to the most comprehensive possible national independence and strict neutrality (particularly rejecting a joining of the United Nations) and have a certain middle-class orientation.

For Lebensraum for the Swiss People

The NA has had the warding off of "foreign domination" resulting from immigration, purchases of real estate and cultural influences end up, as it were, in a program of economic nationalism. In the coming legislative period as well, it intends to fight for a "healthy, stable and social lebersraum for the Swiss people." Top priority is assigned here to the demand for a reduction in the foreign residential population, but also generally for a population policy of stabilization at a lower level. Only refugees "from our own cultural sphere" are to be admitted. In addition to the "sellout of the homeland," against which it launched a popular initiative, the NA also wants to combat foreign domination by capital.

A further chapter of the program contains actually "classic" ecological demands, including the one for a moratorium on the building of nuclear power plants, proposals for promoting health and well-being (among other things, by protecting the family) and the demand for humanization of jobs. The

priorities of these points, which otherwise are often seen in connection with self-realization and human quality, may be regarded as being made clear by a key statement in the framework program, where there is also mention of "creating a community capable of carrying out its functions" or of "fighting Marxist indoctrination" (apparently on the part of the state). In education, the NA stresses practical abilities and general human qualities; in high schools, it wants to raise "performance requirements and behavior requirements." Research is to be research for survival, and the media are too guarded against one-sided influence.

In accordance with the special program of the "National Market Economy," the NA further pleads for the full employment of Swiss, preservation of purchasing power (pegging to cost of living index, limitation of profits and so forth), tax-policy and cartel-law combating of economic concentration and greater independence from the world economy, particularly as regards food supply. Such a policy is regarded by the NA as a contribution to insuring life as a whole. And it is also from this point of view that international cooperation is to be conducted.

Against Foreign Domination of the National

Foreign policy--the fight against joining the United Nations and the Social Charter, against multilateral development aid and against "interference by the Federal Council in the internal affairs of other states"--is the primary area being emphasized by the Republicans, who present a concisely outlined election platform couched in the terms "patriotic, liberal, conservative." Economy in federal finances, a strong army (and rejection of civilian supplementary service), stricter penalties for terrorists and their "accomplices" among their defenders and the fight against the new draft of a constitution figure ahead of the subject of "personal economic and cultural foreign domination." As regards the number of foreigners, the Republicans now want the promises concerning stabilization and reduction to be kept. Living conditions of AHV pensioners are to be insured through stabilization of pensions without raising contributions. In line with their basic attitude, the Republicans support the "Right of Life" initiative.

The longer term "political guidelines" of the party are complemented in the election platform by an endorsement of the freedom of the individual and a more clearcut reference to cantonal rights. The "conservative principle" of assistance by subsidies is also applied to social policy and the economy insofar as "centralism and concentration." It is in this sense that the popular initiative against the dying out of shops is to be understood. Terms like "pressure by association interests and industrial interests" and the "great gap between people and the authorities" which originated during the time of economic boom are not specially resorted to again.

While the platform is limited to few items, the objective is all the higher. It is the task of the Republicans, it is stated, "to preserve the values of the past which grew on the soil of Christianity and are still fundamental spiritual and political values" and integrate them into the developing

government and social edifice. Schwarzenbach himself, judging by his 1978 speech at the Republicans' "change of the guard," is concerned for what is constant in a basically nonpolitical sense. After June 1970, he wanted to counter the danger of Switzerland's internationalist self-alienation not with a mass action but with a "more elitist movement, that is, one oriented toward minds." The current chairman, Engineer Franz Baumgartner, does not quite share that view saying, "Conservatism is good, is on the march." He thus preserves a certain attitude that is free of misgivings and deals rather with current topics. Whether the short-term objective--five seats in the National Council--can be achieved remains to be seen.

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'ARAFAT REPORTEDLY CRITICIZES ECEVIT FOR CYPRUS POLICY

Nicosia THE CYPRUS WEEKLY in English 12-18 Oct 79 pp 1, 5 NC

[By our Lebanon correspondent]

[Text] Beirut--Yasir 'Arafat, the PLO leader, has told Turkish Premier Bulent Ecevit that neither the Palestinian nor Cyprus problems can be solved without the withdrawal of foreign troops and the return of the displaced refugees of both countries to their homes.

'Arafat stressed the identical nature of the two problems when he conferred with the Turkish leader on his first-ever visit to Ankara earlier this week, it was revealed by diplomatic sources here.

Ecevit was "clearly very upset by 'Arafat's views on Cyprus," the sources added.

He complained bitterly about the constant support that the PLO gives to the Cyprus Government not only at international gatherings such as the nonaligned conference in Havana last month, but also at the more restricted meetings of Islamic nations.

'Arafat rejected Ecevit's complaint, the sources says. He pointed out that "principles are indivisible" and that if the Palestinians demand the withdrawal of foreign troops from Palestine and the return of the expelled Palestinians, then they must support the same line in the case of Cyprus.

According to the same sources, Ecevit defended the Turkish invasion of Cyprus.

He claimed this saved the Turkish Cypriots from extinction, and that the presence of the Turkish troops in Cyprus continued to be necessary for security reasons.

The Palestinian delegation, however, stuck firmly to its contention that a settlement of the Cypriot and Palestinian problems could only result from the implementation of internationally-accepted principles, that have been, and continue to be, violated in both cases through foreign military occupation and the usurpation of land and property.

The Cyprus problem proved the most thorny issue during this first-ever meeting between 'Arafat and the Turkish leadership, the sources said. This was reflected in the very brief mention of Cyprus in the joint communique issued at the end of 'Arafat's visit, which said the two sides also discussed the Cyprus question--without any further comment.

'Arafat explained to Ecevit that the links between the PLO and Cyprus are based on a continuing long tradition of friendship, forged in the days of the late President Archbishop Makarios, through the similarity of the problems faced by Cyprus and Palestine, and their alliance in the non-aligned movement.

'Arafat stressed that Turkey should make concessions in Cyprus to facilitate a settlement.

In return, the sources revealed, Ecevit hinted, without asking specifically, that 'Arafat's good relations with President Spiros Kyprianou could help in a kind of mediation.

'Arafat promised to make an effort in this direction when the occasion comes, but at the same time, the sources said, he insisted Turkey should concentrate on solving the humane problem of the Greek Cypriot refugees who, like the Palestinians, insist on their right to return to their homes.

The sources said 'Arafat is expected to convey Ecevit's views to President Kyprianou later this month, during the Cypriot leader's scheduled state visit to Syria.

Political observers believe 'Arafat's defence of the Cypriot cause cannot fail to have some effect on the Turkish leadership, in the context of the Turkish desire to draw closer to the Arab world.

Apart from the difficulties encountered over Cyprus, Ecevit went out of his way to befriend the Palestinian leader, the sources said.

Turkey expressed unreserved support for the PLO, with Ecevit vowing to 'Arafat: "We shall support you until you achieve final victory."

Arab observers here however see Turkey's 180-degree turn to supporting the PLO, after 30 years of close allegiance and cooperation with Israel, as a shift dictated largely by economic considerations, and the hope of attracting Arab petrodollars to bolster up the collapsing Turkish economy.

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